

NISSAN
GROUP OF CHINA



2023

**Sustainability Report of
Nissan's Subsidiaries in China**





Contents

Executive Speech	01
About Nissan	03
NCIC and Sustainable Development	07
CSR Spotlight	11

Outlook	48
Appendices	49



Environment (E)

Low-carbon Transition Ushers
in a New Green Journey



Green Management	17
Green Manufacturing	18
Green Supply Chain	22
Green Logistics	24
Green Culture	27



Society (S)

Cooperation Unfolds a New Journey
of Development



Safe Travel	31
Craftsmanship for Quality	33
Considerate Services	35
Employee Rights and Interests	37
Employee Growth	39
Community Development	40



Governance (G)

Sheer Endeavor Unveils
A New Journey of Quality



Corporate Governance	45
Technological Innovation	47

Executive Speech



Masashi Matsuyama

President of Nissan (China) Investment Co., Ltd.

Empowering Mobility and a Shared Future

Recent years witness that the sustainable development has become a common expression and shared goal of the world, and also underpins the long-term corporate development. Upholding the sustainability philosophy throughout development, Nissan strives to make contribution to the global sustainable development.

China, one of the world's largest automotive markets, is an important destination for Nissan. Since it entered China five decades ago, Nissan has been committed to the vision of "driving innovation to enrich people's lives". While pursuing business growth, Nissan also focuses on social development and environmental protection, fulfills corporate social responsibility, and integrates the sustainability philosophy into corporate operations. Together with partners, Nissan provides cutting-edge, diversified, and sustainable auto technologies and solutions for the Chinese market, offers products that meet the needs and preferences of consumers, and drives the sustainable development of Chinese auto industry.

Focus on green and low-carbon development

In September 2020, China set the goals to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060. Nissan Motor Co., Ltd. has been committed to zero environmental burden and emissions. In November 2021, Nissan unveiled "Nissan Ambition 2030", which depicts Nissan growing into a sustainable company that contributes to a cleaner, safer, and more inclusive society. In China, Nissan has introduced energy-saving and zero-emission models since 2011 with several zero-emission electric vehicles launched so far, providing consumers with more eco-friendly vehicle options. In addition, we also adjust our ways of production, reduce carbon emissions and energy consumption in automotive manufacturing, and adopt eco-friendly materials. These practical measures help combat climate change and contribute Nissan's efforts to carbon reduction and environmental protection.

Together, we share a better future

We follow social development and improve travel conditions and life quality by providing high-quality auto products and services. We also fully tap the potential of the future mobility service market and provide Chinese consumers with brand-new mobility services that are more relaxing and convenient. Committed to strengthening exchanges and cooperation with global companies, we work for the sustainable development of the global auto industry. Meanwhile, we actively contribute to community development and give back to society through charitable activities and educational support.

Jointly pursue high-quality corporate development

To establish a transparent and standardized corporate governance structure, we continue to improve the governance structure, enhance compliance management capabilities, and deepen sustainability governance.

The year 2023 marks the 50th anniversary of Nissan's presence in China. We will continue to deeply implement the sustainability philosophy, insist our original aspiration and mission of sustainable development to achieve a green and low-carbon future, and work together with all partners and colleagues to write a new chapter on sustainable development to create a better future!



About Nissan

Strategic Vision

Vision

Driving innovation to enrich people's lives

Mission

As a company worthy of trust, Nissan provides unique and innovative automotive products and services that deliver superior measurable values to all stakeholders.

Company Profile

Nissan Motor Co., Ltd. (Nissan for short) was founded in Yokohama, Kanagawa Prefecture, Japan, on December 26, 1933. The company has auto research and development, design, and manufacturing bases in 20 countries and regions (including Japan) around the world, and offers products and services in more than 160 countries and regions. Its scope of business includes manufacturing, sales and related business of auto products.

The development of Nissan in China began in 1973. Over the past 50 years, Nissan has been attaching great importance to the Chinese market and has made great strides in the localized development. It has established Dongfeng Motor Co., Ltd., a joint venture with Dongfeng Motor Corporation. As subsidiaries of Dongfeng Motor Co., Ltd., Dongfeng Nissan Passenger Vehicle Company and Zhengzhou Nissan Automobile Co., Ltd. are mainly engaged in the production and sales of Nissan brands, forming a complete product line covering passenger vehicles, SUVs, MPVs, high-performance sports cars and commercial vehicles. Their product line is enriching constantly. In 2007, Dongfeng Nissan Auto Finance Co., Ltd. was jointly funded by Nissan Motor Co., Ltd., Dongfeng Motor Corporation and Nissan (China) Investment Co., Ltd., mainly responsible for financial business including professional car purchase loans. In 2014, Dongfeng Motor Co., Ltd. established a wholly-owned subsidiary, Dongfeng Infiniti Motor Co., Ltd., to drive Infiniti to continuously provide quality products and services to Chinese consumers. In January 2022, Dongfeng Infiniti was officially incorporated into the management system of DFN, further meeting the demand of Chinese consumers for luxury car brands.



NCIC

Founded in February 2004, Nissan (China) Investment Co., Ltd. (NCIC), as a wholly-owned subsidiary of Nissan in China, manages the investment in China together with Nissan Headquarters. NCIC has been responsible for Nissan's public relations, brand management and intellectual property rights in China, and plays an important role in Nissan's global operations, and purchase and export of competitive parts made in China. The company also relies on Nissan Design China, one of Nissan's five design bases in the world, to further enhance the competitiveness of Nissan brands in China.

DFN

Founded in 2003, Dongfeng Nissan Passenger Vehicles Company (DFN) is an important passenger vehicle business unit under Dongfeng Motor Corporation. It is a full value chain auto enterprise covering planning, research and development, procurement, manufacturing, sales and service businesses. It operates three brands, i.e. Nissan, Venucia and Infiniti. Based in Huadu District, Guangzhou and serving the consumers nationwide, the company has formed a strategic layout across Guangzhou, Xiangyang, Zhengzhou, Dalian, Changzhou and Wuhan, with different priorities. The annual production capacity of vehicles and engines are 1.6 million and 1.5 million, respectively.

DFL

Founded in 2003, Dongfeng Motor Co., Ltd. (DFL) was jointly established by Dongfeng Motor Corporation and Nissan Motor Co., Ltd. through strategic cooperation. It is the first auto JV in China with a full range of passenger vehicles and light commercial vehicles products, auto components and equipment, integrating auto design, research and development, procurement, production, sales, after-sales and mobility services. It is also the only cooperation project of Nissan for a full range of products overseas.

DFI

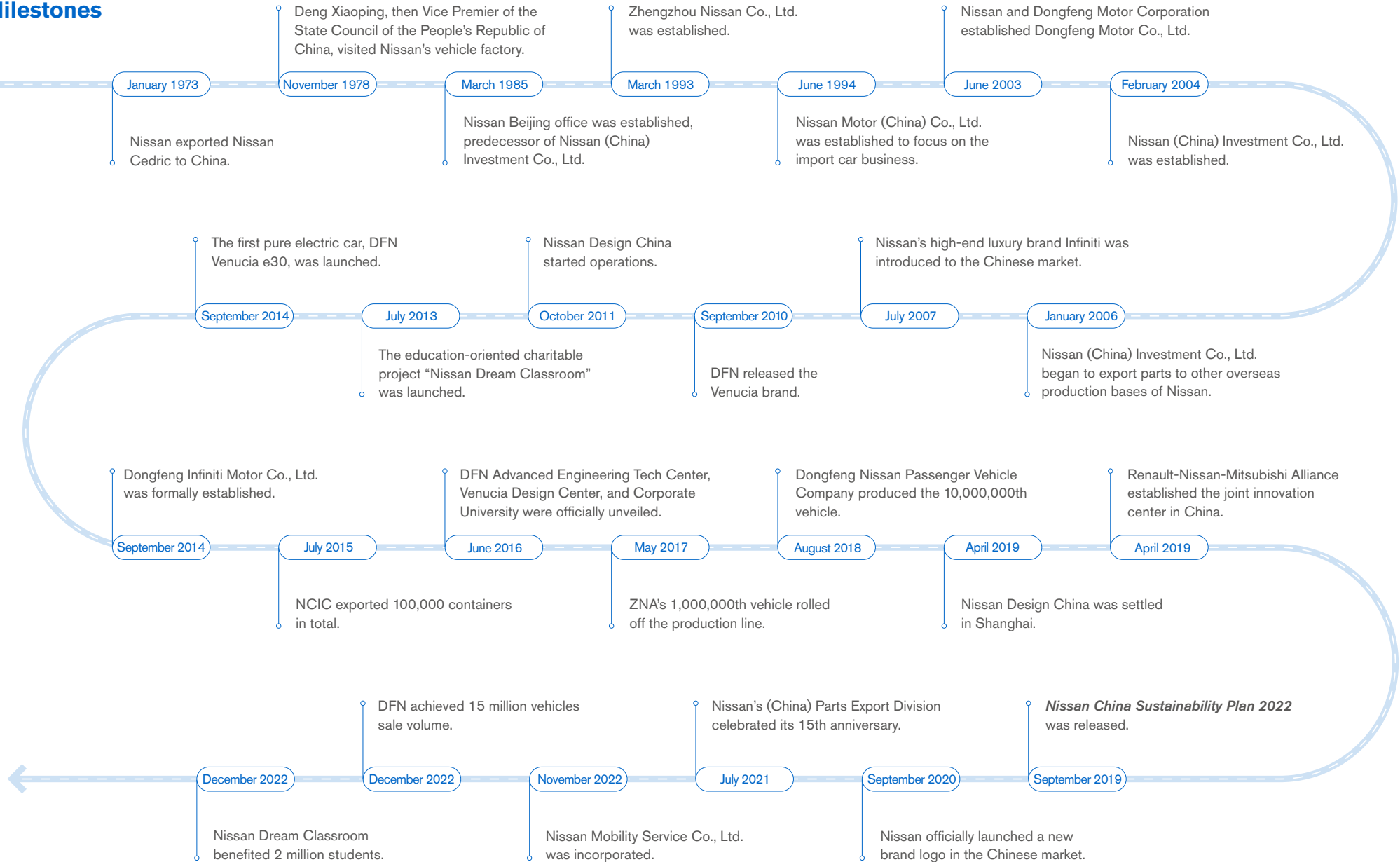
Founded in 2014, Dongfeng Infiniti Motor Co., Ltd. (DFI) was an independent wholly-owned subsidiary of Dongfeng Motor Co., Ltd., mainly offering luxury vehicles. In January 2022, as an independent business headquarters, DFI was officially incorporated into the management system of DFN, becoming the third brand under DFN.



ZNA

Founded in 1993, Zhengzhou Nissan Automobile Co., Ltd. (ZNA) is the first JV of Nissan Motor Co., Ltd. in China. Based on a dual brand development strategy, ZNA boasts two brands of Nissan and Dongfeng, and mainly manufactures pickup trucks and off-road SUVs. It processes a business process covering the entire value chain, from product R&D, supply chain management, manufacturing to marketing service.

Milestones



Honors

Awardees



NCIC

DFN

ZNA

Awards



CSR China Education Award– CSR China Top 100 Rank
 CSR China Education Award – Public Recognition Special Award
 CSR China Education Award – Best CSR Strategy Award
 China Best Employer Award
 2022 Most Favorite Employer

Scholarship Support · Role Model

Annual Rural Vitalization Contribution Award

2022 honorary title of “Dedicating Love and Sending Hope”

2022 National Product and Service Quality and Integrity Leading Brand

Zhongmu County Enterprise With Outstanding Contribution to Technological Innovation and Development

Fortune Creation Model Award for Commercial and Passenger Dual Purposes at the 6th China Pickup Truck Customer Operation Survey “Opinion Leader”

Annual Fashion · Best Popular Truck Award of 2022 Hubei Automobile Market Honor Roll

Gold Prize of Chinese Auto Annual Award

Awarders



CSR China Education Award Organizing Committee
 CSR China Education Award Organizing Committee
 CSR China Education Award Organizing Committee
 HRA
 Shixiseng

Mashan County Committee of the Communist Party of China
 Mashan County People’s Government
 Southern Weekly

Zhengzhou Emergency Management Bureau Village Task Force
 Zaolin Zhu Villagers Committee of Dameng Town
 China Association for Quality Inspection
 Zhongmu County Committee of CPC Zhongmu County People’s Government
 China Pickup Truck Opinion Leader Organizing Committee
 Chezufeng
 The China Council for the Promotion of International Trade, Automotive Sub-Council

NCIC and Sustainable Development

Sustainability Philosophy

NCIC takes "Becoming a leading sustainable enterprise in the industry" as its vision and aims to "Achieve the sustainable development of society with 'zero emission, zero casualty'," contributing more to the sustainable development of Chinese society. In 2019, NCIC officially released the *Nissan China Sustainability Plan 2022*, which guides the sustainable operation

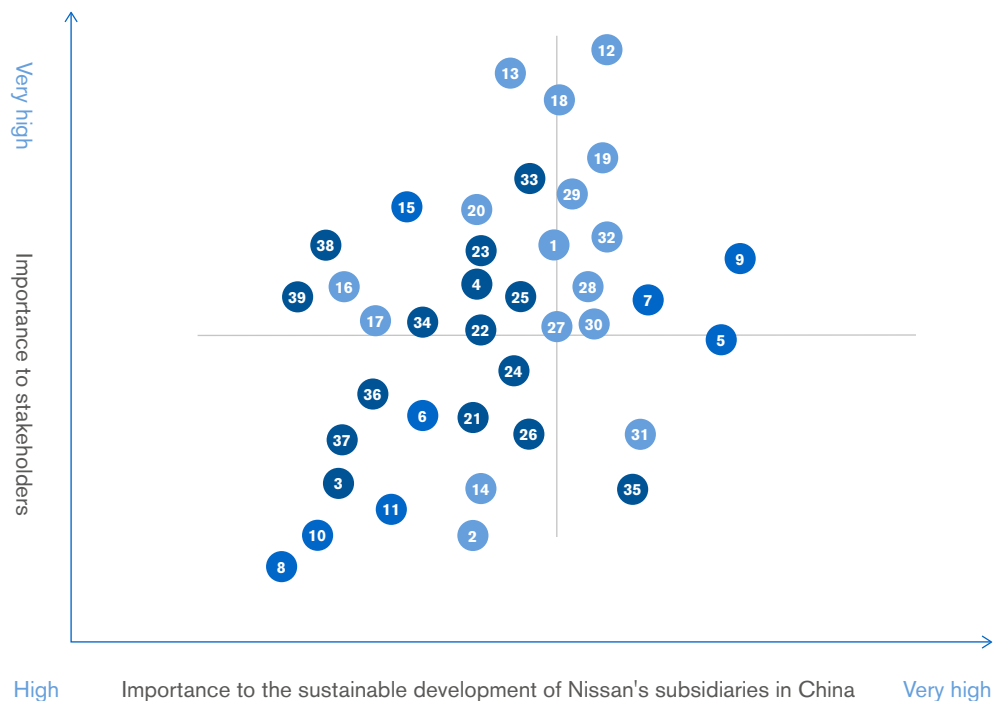
and management of Nissan's business in China centering around environmental, social and governance those three core aspects. In the field of environmental protection, NCIC adheres to the concept of "harmonious coexistence of people, vehicles and nature", and is committed to addressing environmental challenges based on social needs. In the field of social development, Nissan

respects the rights and interests of all stakeholders and contributes to the sustainable development of society. In the field of corporate governance, NCIC strictly abides by laws and regulations and follows the business principle of "fairness, justness and transparency".



Materiality Analysis

NCIC attaches great importance to identifying and managing material topics, and continues to optimize the materiality analysis. Based on the context of sustainable development, national macro policies, industry trend, sustainable development standards, the company's business characteristics and corporate development strategy, NCIC identifies and sorts out the material topics with significant impact on the company and stakeholders, promotes the in-depth development of NCIC's sustainability governance and further integrates the sustainability philosophy into the corporate operation and management.



Environmental

- 5 Resource and energy management
- 6 Recycling
- 7 Sewage and waste treatment
- 8 Biodiversity protection
- 9 Energy-saving product
- 10 Green supply chain
- 11 Environmental compensation mechanism
- 15 Charity on environmental protection

Social

- 1 Economic contribution
- 2 Localized development
- 12 Product quality and safety
- 13 Emergency response
- 14 Safety welfare
- 16 Social welfare
- 17 Volunteer services
- 18 Customer services
- 19 Customer privacy protection
- 20 Product recall
- 27 Localized procurement
- 28 Protection of employees' rights and interests
- 29 Occupational health and safety
- 30 Employee training and development
- 31 Employee communication
- 32 Employee care

Governance

- 3 Sustainability philosophy
- 4 Stakeholder engagement
- 21 Business continuity
- 22 Supply chain management
- 23 Dealer support
- 24 Suppliers' environmental impact assessment
- 25 Suppliers' social impact assessment
- 26 Standardized and transparent procurement process
- 33 Information disclosure
- 34 Anti-commercial bribery
- 35 Risk management and control
- 36 Operational compliance
- 37 Anti-monopoly
- 38 Promoting industrial development
- 39 Intellectual property protection

Identification and Communication with Stakeholders

NCIC always prioritizes the expectations and demands of stakeholders and continues to communicate and exchange with them. Our regular and diversified communication mechanism in routine work helps us understand and respond to the concerns and demands of stakeholders, and make them integral considerations for organizational decision-making. This process facilitates the company continuously improve sustainability management and achieve win-win cooperation.

Stakeholder



Government and regulators

- Legal operation
- Tax payment according to law
- Environment-friendliness
- Providing job opportunities
- Promoting sound development of China's auto industry

Communication and response

- Law-abiding and compliant operation
- Regularly publishing reports
- Accepting supervision and inspection



Investors/shareholders

- Investment return
- Sound operation
- Supervision and assessment

- Work meetings
- Information disclosure
- Regular reporting
- Publishing report



Employees

- Protection of employees' rights and interests
- Occupational health and safety
- Employee communication and care
- Employee training and development

- Employee Representative Conference
- Improving the compensation and benefits system
- Improving the promotion mechanism
- Enriching training content
- Occupational health and safety



Suppliers

- Business ethics
- Contract fulfillment with integrity
- Win-win cooperation

- Improving supplier management system
- Developing Supplier Code of Conduct
- Open and transparent cooperation mechanism
- Strengthening information exchange



Stakeholder



Customers

- Product safety
- Product quality
- Product recall
- Service quality
- Service support and compliant processing
- Privacy protection

Communication and response

- Optimizing the product quality management system
- Improving product after-sales service
- Customer satisfaction survey



Industry associations

- Product quality
- Addressing climate change

- Industry conferences and forums
- Academic research activities



Media

- Transparent information disclosure

- Regular release of information



Communities

- Charity
- Volunteer services

- Donations
- Helping community development
- Volunteer services
- Driving entrepreneurship and generating income

CSR Spotlight

Original Aspirations Unchanged in Five Decades to Keep Sustainability Leading Development

At the end of the last century, China's automotive industry was strapped for resources. The arrival of the first Nissan Cedric in China in 1973 opened a chapter of Nissan's development in the Chinese market. As one of the earliest foreign-funded enterprises to enter the Chinese market, Nissan has witnessed, benefited from, and contributed to the reform and opening up of the Chinese market in the past nearly five decades of rapid development. From the sale of products to the establishment of joint ventures to introduce the world-leading technology, Nissan works with partners to help China's automotive parts go global and promote the development of China's automotive industry. Nissan's business in China follows an upward trajectory as reform and opening up deepens, from initially filling the market gap to supporting China to grow from a major automobile manufacturer to an automotive powerhouse with partners, Nissan has contributed its efforts to supporting China's growth into a major automotive country and powerhouse in the past 50 years and led the sustainable development of China's automotive market.



Nissan exports CEDRIC sedan to China

Filling the auto market vacuum

In 1993, the establishment of the joint venture Zhengzhou Nissan Automobile Co., Ltd. marked Nissan's first step in exploring China's market. In June 2003, Dongfeng Motor Co., Ltd. was established, accelerating Nissan's development in China. Over the past decades, Nissan had always introducing high-quality products to China's market and providing Chinese consumers with more confident, safer, and more passionate driving experiences to meet their increasingly diverse needs.

DFN

As a leading auto joint venture, DFN's vehicles have been the must-have option in consumers' purchase lists. The reason why DFN continues to enjoy popularity in the market is that it boasts sound product lines and meets diversified needs. DFN offers products that meet the needs of young consumers, feature intelligence, and maintain the core advantages of family cars in terms of space, costs, safety, and quality.



Super-hybrid electric drive Sylphy



ARIYA

ZNA

With three decades of experience in joint venture for manufacturing, ZNA boasts great skills and craftsmanship, focuses on the pickup strategy, and explores market segments. The products of ZNA target upscale, mid-range, and downscale consumers, providing users with a range of options.



Navara

DFI

DFI makes full use of the advantages of DFN's full value chain in R&D, manufacturing, and management featuring seamless connection from planning to execution. The company continues to develop the Chinese market and nourish the "Infiniti" brand. Be it domestic models or imported models, consumers will enjoy Infiniti's global unified quality standards, brand experience, and after-sales services.



QX60

Contributing to a major automotive country

For decades, Nissan witnessed the take-off of China's automotive industry and introduced advanced technologies and products to China's market. Nissan established its reputation as "Technology Nissan" through its excellent technology accumulation and strength, connecting technology, brand, and services in the full value chain. Adhering to the commitment of "in China, for China", Nissan concentrated more efforts on China's market. Guided by "Nissan NEXT" and "Nissan Ambition 2030", Nissan leveraged its experience and expertise, research CATARC together release the *Blue Book of New Energy Vehicles*, and Nissan has cohosted the China Road Safety Forum for 16 consecutive years, helping China to become a major automobile manufacturer with practical actions.

Multiple power options available

On Electrification, Nissan has launched Nissan Sylphy-pure electric model, Sylphy zero emission version e-POWER equipped with Nissan's unique e-POWER technology, and the pure electric crossover SUV model Ariya for the Chinese market, adding more options for Chinese consumers for electric vehicles. At the same time, Nissan is devoted to the R&D and production of new products and technologies, such as the R&D of electrification technologies including the CMF-EV platform. On conventional power system, Nissan introduces the globally-recognized and world's first mass-produced variable compression ratio turbocharged engine, the VC-Turbo, to the Chinese market and installs it on the new generation of Nissan X-Trail and Altima as well as Infiniti QX50 and QX60 models to meet the needs of Chinese consumers for more convenient, comfortable, and safe travel.



Nissan Launches Sylphy zero emission version e-POWER for the Chinese market



The new Altima model is equipped with the VC-Turbo engine

Intelligent driving

Nissan will provide more Chinese consumers with advanced driving assistance, such as the ProPILOT super intelligent driving technology, to strengthen the advantages in mobility and improve the confidence of drivers and passengers.

Intelligent connectivity

Nissan aims to equip more than 90% of Nissan models with Nissan Connect by 2024, so that drivers and passengers can seamlessly connect with the digital world.

Mobility services

Nissan will make use of its accumulated practices and technology in mobility services in the Japanese market to fully tap the potential of the future mobility service market to promote business transformation in China. Nissan has signed a memorandum of understanding on strategic cooperation with the Suzhou Municipal Government and established the Nissan Mobility Service Co., Ltd. in Suzhou with mobility pilot services carried out in the Suzhou High-Speed Rail New Town.



NCIC announces the establishment of Nissan Mobility Service Co., Ltd.

Contributing to the shift to an automotive powerhouse

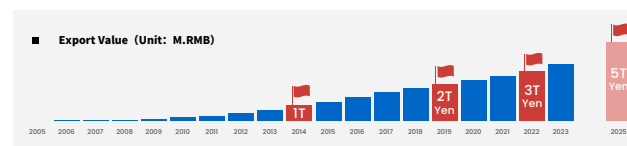
Nissan promoted the development of China's parts industry and automobile manufacturing industry. To guarantee and enhance the overall supply capacity of China's automobile parts industry, Nissan implemented improvement measures for parts suppliers, including the improvement of quality standards, operation management systems, processes, and R&D capabilities. At the same time, Nissan established a cross-enterprise and cross-department comprehensive task force to help Chinese parts suppliers reduce costs while improving product quality and enhancing overall competitiveness.

In 2006, Nissan's (China) Parts Export Division was set up, covering 19 countries and regions around the world and supplying 45 plants in the Renault-Nissan-Mitsubishi Alliance. Parts made in China are now an integral support to Nissan's global production system. By the end of 2022, the cumulative export of Nissan's (China) Parts Export Division had exceeded 2 trillion yen, greatly improving the international competitiveness of parts made in China and contributing to the sustainable development of China's automotive industry.

Case

Improving the competitiveness of parts and components of Chinese enterprises

Guangzhou Sunrise Machinery Co., Ltd. specializes in the R&D and production of automotive metal stamping parts and welding. After being integrated into Nissan's global supply chain, Sunrises found it overwhelming to adapt as the business volume, variety and quantity of supporting products, and complexity of parts multiply exponentially. Therefore, NCIC sent a quality team to the plants to offer guidance and diagnoses and Nissan overseas plants also visited Sunrise for quality improvement activities, greatly improving the quality control capabilities of Sunrise. As a result, it was granted the Nissan Quality Improvement Award with a product defect rate stabilized within 1PPM. All plants of Sunrise have passed the Infiniti 4.5 score review and supply all production bases of the Renault-Nissan-Mitsubishi alliance through Nissan's (China) Parts Export Division.



Export data of Nissan's (China) parts export division

01 Environment (E)

Low-carbon Transition Ushers in a New Green Journey

Deeply aware of the importance of addressing environmental and climate issues, Nissan takes measures to mitigate climate change and save energy based on our main business. Guided by “Nissan Ambition 2030”, Nissan ushered in a new era of electrification, launched electric car models, and accelerated the delivery of electrified products. We also applied advanced energy-saving technologies and renewable energy to lower energy consumption and environmental impact. In pursuit of sustainable development, Nissan is committed to promoting the application of clean energy and the innovation of auto technologies, contributing to the green development of China’s auto market.

SDGs



Opening Case

Ecosystem Services and the Automotive Sector

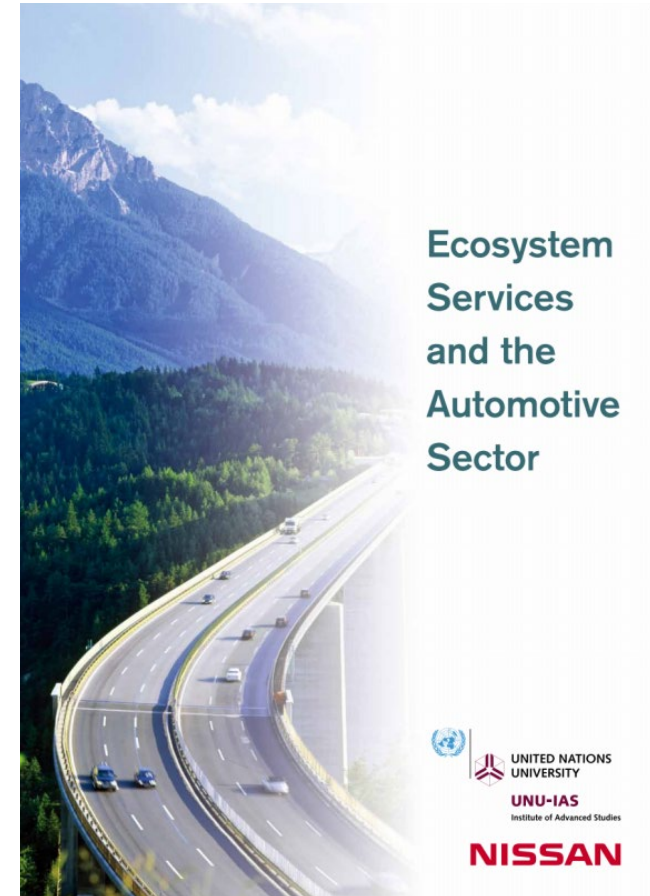
Ecosystems underpin human survival, but our life and work have some adverse impacts on ecosystems and biodiversity. Since 2007, Nissan has been conducting joint research with the United Nations University Institute for the Advanced Study of Sustainability on the impacts of auto on ecosystems and biodiversity. Nissan has adopted the guidelines of the Corporate Ecosystem Services Review to assess the impacts on and benefits from ecosystem services.

Ecosystem Services Review

Corporate ecosystem services reviews consist of a structured methodology that helps businesses develop strategy by helping them understand their dependence and impact on ecosystems.

Under a holistic framework, Nissan considers ecosystem services in the auto sector. Based on a full picture of the supply chain, the dependence and impact of each link on the ecosystem is assessed. These assessments help Nissan identify three priority areas for an automaker: energy procurement, material and resource procurement, and water use.

The application of scientific methods to assess the impact of the auto sector on ecosystem services and biodiversity is still in its infancy. Nissan believes that the research results will provide a new perspective on the auto sector and other industries around the world to reconsider their relationships with ecosystems and biodiversity. Nissan hopes that this will be conducive to building an environmentally sustainable society.



Green Management

In addition to providing customers with innovative products and services, Nissan's subsidiaries in China are committed to becoming sustainable businesses that contribute to a cleaner, safer, and more inclusive society. In terms of electrification, Nissan is pushing the auto sector towards energy conservation and carbon reduction. Additionally, Nissan's subsidiaries in China remain steadfast in green development and identify the challenges and opportunities brought by climate change, laying a solid foundation for a sustainable future.

Management of China's 30 · 60 Decarbonization Goal

In response to China's 30 · 60 Decarbonization Goal (to peak CO₂ emissions before 2030 and achieve carbon neutrality before 2060), Nissan's subsidiaries in China take the management of the 30 · 60 Decarbonization Goal as a crucial part of environmental management and implement the "Nissan Ambition 2030". Shouldering the responsibility of environmental protection, Nissan's subsidiaries in China fully promote green products, increase input to promote the green transformation of the auto industry, and advance electrification, yielding positive results.



Case

Implementing electrification to facilitate energy and emission reduction

As a pioneer of modern electric vehicles, Nissan has embarked on the journey of pure electric vehicles for 75 years since 1947. In November 2021, Nissan announced "Nissan Ambition 2030", which aimed to tackle worsening environmental issues, meet the needs of society and consumers, and build a cleaner, safer, and more inclusive society. Concentrating efforts on electric models and innovative technologies, Nissan planned to launch 23 electric models by FY 2030, including 15 pure electric models, with electric models of Nissan and Infiniti brands accounting for more than 50%. Nissan's subsidiaries in China advance electrification to reduce carbon emissions, improve environmental quality, and use resources sustainably, contributing Nissan's strengths to environmental protection and China's 30 · 60 Decarbonization Goal.

In 2010, Nissan's first mass-market electric vehicle, the Nissan LEAF, was launched, setting a milestone in electrified mobility.

2010

As of the end of January 2022, more than 620,000 consumers worldwide have purchased models equipped with Nissan e-POWER technology.

2022

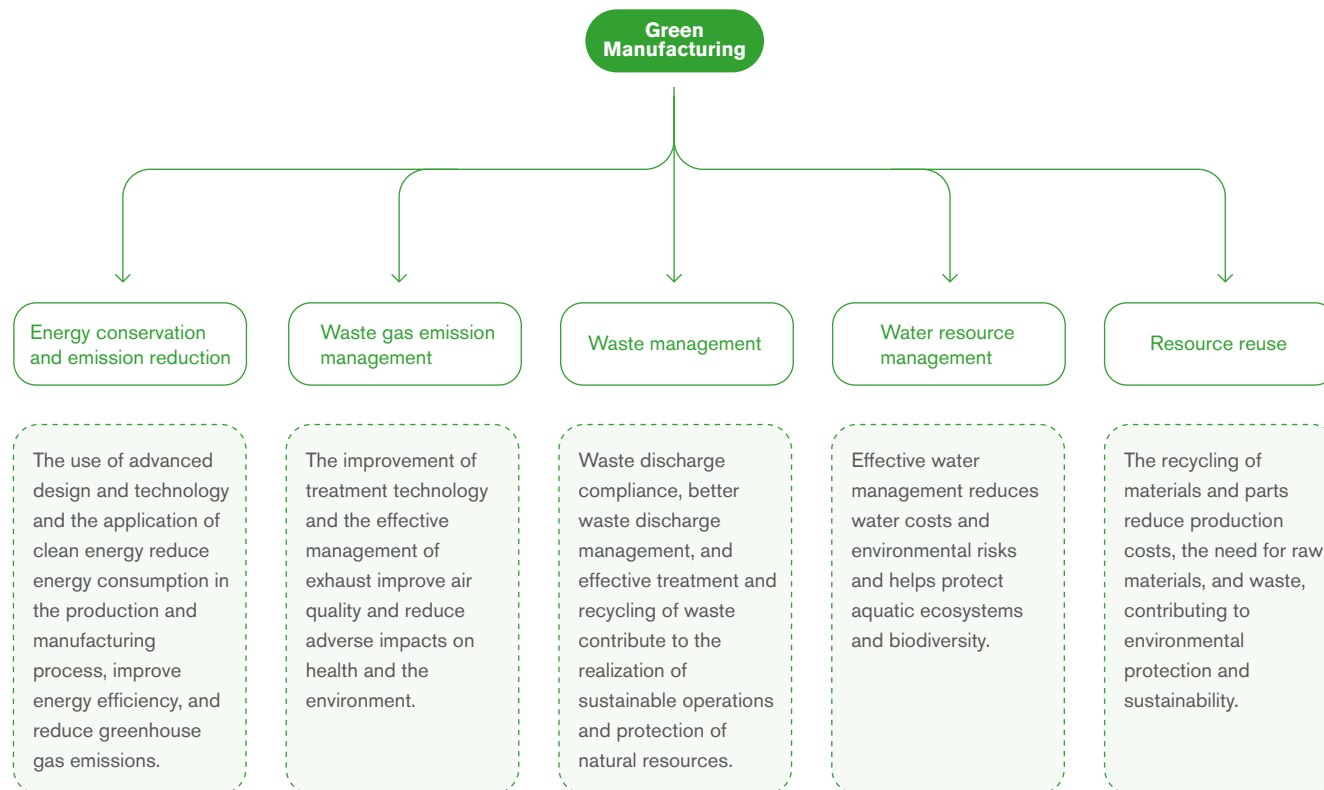
In 2016, Nissan released Nissan e-POWER technology, which generates electricity through gasoline engines, and the generated electrical energy directly powers the electric motor to drive the vehicle, bringing consumers more diversified mobility solutions.

2016

In April 2022, Nissan Motor Co., Ltd. announced a pilot production facility for all-solid-state battery (ASSB) cells, which was scheduled to start full-scale production in 2028, and ASSBs would accelerate the adoption of electric models.

Green Manufacturing

Aspiring to become leading carmakers for green and low-carbon development, Nissan's subsidiaries in China implement environmental protection measures in the entire industrial chain and strive for the harmony among people, vehicles, and nature. By promoting energy conservation and emission reduction, strictly managing waste gas and waste disposal, and valuing water management and recycling, Nissan's subsidiaries in China have built a green model of low-carbon manufacturing, clean production, and circular operation, translating the concept of ecological protection into action towards sustainable development.



Energy conservation and emission reduction

Committed to contributing to a carbon-neutral society, Nissan ramps up efforts to tackle climate change. In 2021, the company pledged to achieve carbon neutrality throughout the whole Group's enterprise operation and product lifecycle by 2050. Nissan's subsidiaries in China strengthen technological innovation and optimize green manufacturing processes, making continuous contributions to sustainable development and environmental protection.

Case

DFN builds photovoltaic power generation projects at its major production bases

As an advocate of clean energy, DFN has built photovoltaic power generation projects at all major production bases. By the end of 2022, the completed photovoltaic power generation projects had an annual capacity of 93.05 GWh, which could reduce carbon dioxide emissions by 49,000 tons. DFN plans to reduce carbon intensity by 15% by 2025 and comprehensive energy consumption per RMB 10,000 of output value by 15% by the end of the 14th Five-Year Plan period (2021-2025).



Case

ZNA implements the air-fuel ratio renovation project of the drying furnace

ZNA Zhongmu factory carries out the air-fuel ratio renovation project of drying furnaces, and the burner can adjust the gas valve opening according to the temperature signal within the furnace. The upgraded furnace is equipped with independent control valves and control modules in the air pipeline and gas pipeline. The air-fuel ratio detection mechanism is added to the flue gas emission pipeline to monitor the air-fuel ratio in real time and feed the data back for adjustments. This ensures optimal combustion and improves safety. The project is estimated to save up to 75,000 m³ of natural gas, equivalent to reducing 162t CO₂ and saving RMB 300,000.



Waste gas emission management

In strict compliance with emission requirements, Nissan's subsidiaries in China continuously improve the waste gas treatment system, ramp up R&D input, and transform relevant facilities and equipment to reduce polluting waste gas generated from the source.

Case

ZNA's new technology for VOC treatment recognized as a sci-tech achievement by Henan Province

To meet the environmental protection regulations on the reduction of VOCs, ZNA has adopted water-based reduction of oily middle coating VOCs at the source and incinerated the VOCs contained in oily varnish exhaust from the end. ZNA has overcome the challenges in the process and equipment transformation, implemented the 3-coat-1-bake (3C1B) new water-based no-middle coating process, and introduced the new combined technology of "spraying automation + circulating air + zeolite concentration + RTO incineration". The introduction of the 3C1B no-coating process and the recycling of varnish air supply have effectively saved labor, energy consumption, direct materials, etc. A total of RMB 27.95 million has been saved since the project was put into operation in 2018. In addition, in the past three years, VOCs have been reduced by 679 tons and CO₂ emissions by 13,371 tons, showing sound economic and social benefits.

Case

DFN establishes a task force for emission compliance

To advance the goal of VOC emission compliance and continuous emission reduction in the entire manufacturing value chain, DFN established a task force for emission compliance, headed by Yang Yulong, head of the general manufacturing department and composed of the manufacturing management department, vehicle engineering technology department, and all factories. The improvement team organizes the monthly "one-on-one" progress tracking meetings of each factory and the department head improvement report meetings every six months. Five key improvement projects were completed in 2022.

Waste management

Nissan's subsidiaries in China improve the waste management system and ensure compliance in waste discharge and disposal while reducing waste to minimize the impacts on the environment.

Case

DFN adheres to the 3R principle

DFN factories independently carry out solid waste 3R (reduce, reuse, recycle) activities, such as paint residue/sludge drying and weight reduction, waste rubber barrel and processing milling powder recycling, and collaborative disposal of hazardous waste cement kilns. Through the 3R activities, the amount and cost of hazardous waste disposal have been reduced, and some projects have yielded positive returns and improved the recycling rate of resources, laying a solid foundation for the construction of "zero waste factories".

Case

ZNA guarantees permitted discharge and strengthens environmental monitoring

ZNA changes and renews expired pollution discharge permits in accordance with the *Measures for the Administration of Pollutant Discharge Permits*. It discharges pollutants in strict accordance with the provisions of the pollution discharge permits and standardizes operation and management. It also operates and maintains pollution prevention and control facilities, carries out self-monitoring, records and submits information on time and discloses environmental information in a timely manner.



Water resource management

Water use, an important issue identified by Nissan through the Corporate Ecosystem Services Review, is a priority for Nissan's subsidiaries in China, which have committed to building a recyclable, safe, and clean water management system, and have achieved significant results.

Case

ZNA wastewater recycling project

ZNA explores in-depth treatment for wastewater, which is used to replace tap water in the preparation of hydrochloric acid, PAM, and other chemicals. Filters, check valves, and diverting valves are installed on the reclaimed water circuit. One-week testing of the replacement of tap water with reclaimed water shows that the requirements of sewage treatment can be met. From March 27, 2022, when the replacement was made, it saved 7,800 tons of water and RMB 28,470 each year and reduced COD by 390 kg.

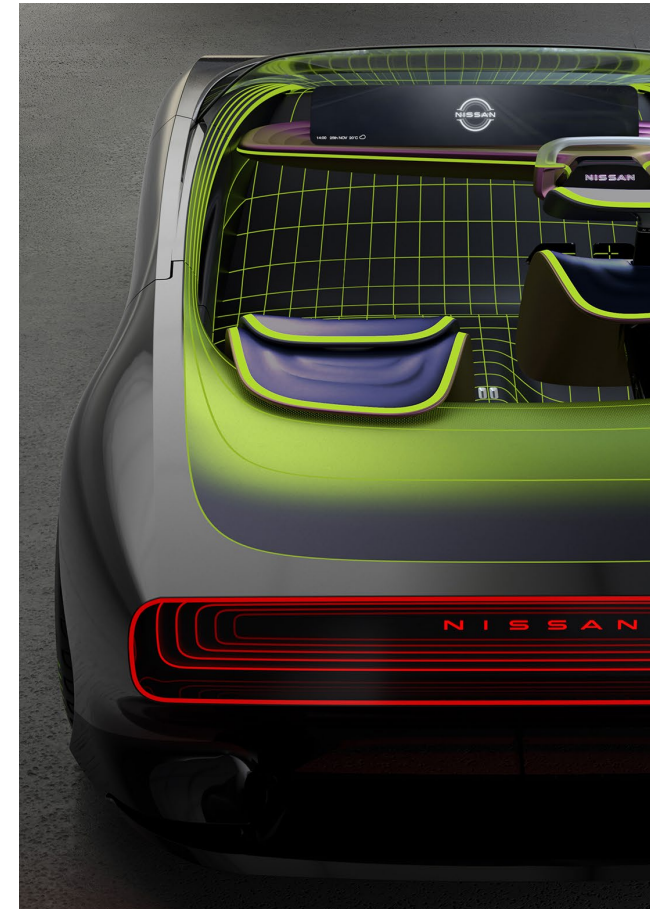
Resource reuse

Nissan's subsidiaries in China attach great importance to resource recycling to save energy and reduce pollution and costs. As auto companies, Nissan's subsidiaries in China advocate battery recycling, which can effectively reduce the pollution caused by waste batteries to the environment. Meanwhile, useful metals and chemicals recycled from waste batteries bring more economic and environmental benefits to companies and society.

Case

DFN promotes battery recycling

DFN works with suppliers to recycle power batteries and improve the use efficiency of materials. The company also develops lightweight materials, eco-friendly and low-carbon materials, and aims to reduce carbon emissions throughout the product lifecycle. In addition, DFN, as a council member, contributes to the establishment of the "Strategic Alliance for the Recycling of Electric Vehicle Power Batteries". The company's material technology experts provide professional advices for the formulation of battery cathode material utilization standards and promote the establishment of DFN's recycling network and the research of recycling closed-loop system.



Green Supply Chain

Supply chain management is a crucial part of sustainable development. Nissan's subsidiaries in China value supply chain management, continuously improve supplier full-lifecycle management, and strive to create a green and sustainable supply chain.

Green procurement

Focusing on green procurement, Nissan's subsidiaries in China conduct strict environmental assessments of suppliers.



Case

ZNA verifies the green qualification of suppliers

To standardize supplier management, ZNA has developed a sound supplier recruitment and exit procedure, clarified the rules and procedures for supplier selection and adjustment, to ensure the standardization, transparency, and efficiency of procurement procedures. The company has also optimized and integrated supplier platforms, improved the overall supplier management level, and further improved external resource control capabilities and cost control levels. In addition, it has clarified that new suppliers shall be subject to qualification review on whether they have obtained ISO 14001 certificates or other relevant qualification certificates (e.g. environmental impact assessment reports/pollutant discharge permits) when they are included in ZNA's supplier base. Suppliers' environmental risks are regularly inspected, and the improvement progress and results of their environmental penalties are tracked.

Key data

- 349 ISO 14001 certificates or environmental impact assessment reports within the supplier management system collected.
- In December 2022, environmental monitoring was conducted on 33 hazardous chemical suppliers and bulk business suppliers in the supplier management system, and none of them were punished by the local government for environmental issues. The qualification rate was 100%.

ISO 14001 certificates or environmental impact assessment reports

349

33 hazardous chemical suppliers and bulk business supplier, the qualification rate was

100%



Green empowerment of suppliers

To guide the upstream and downstream players along the supply chain to jointly build a green supply chain, Nissan's subsidiaries in China enable suppliers to fully understand the necessity and significance of "environmental protection" for their future development, and understand their strengths and weaknesses in green transformation. Based on the supplier review results, targeted support and services are provided to help suppliers improve product quality while reducing costs and resource consumption, thus responding more quickly to the green development requirements of the market.

Case

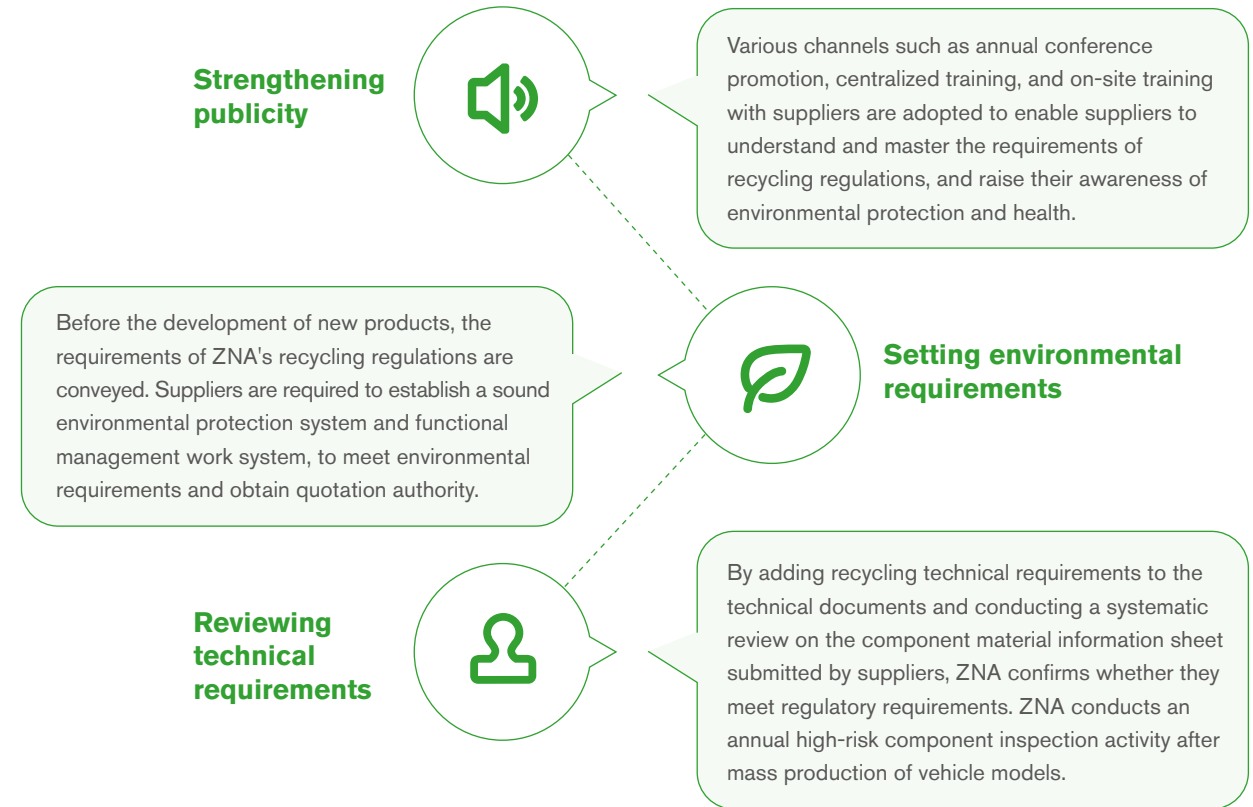
DFN enhances the green capabilities of suppliers

Based on the supplier capability synchronous assessment system, DFN classifies supplier capabilities from seven aspects, including design organization, basic design capabilities, and basic technical capabilities. Green capability improvement plans are customized for different levels of suppliers to help them solve current problems in quality, logistics, and technology, thus reducing resource waste.

Case

ZNA promotes suppliers to use more eco-friendly materials, products, and services

To create a green and low-carbon supply chain, ZNA has taken multiple measures to strengthen environmental protection capabilities of suppliers, and work with them to create more green and low-carbon auto products.



The recycling work from 2016 to 2022 led to the continuous decrease of hazardous substances in ZNA's auto products. By learning and benchmarking against auto products and using eco-friendly and lightweight materials, ZNA strives to improve the green quality of products and provide customers with healthier and safer auto products.

Green Logistics

Green logistics serves as an integral part of a company's sustainable development strategy. Following the "green logistics" management model, Nissan's subsidiaries in China promote the building of an intelligent logistics system and explore new measures to reduce carbon emissions caused by packaging and transportation to reduce negative environmental impact and contribute to environmental protection.

Green packaging

To realize low-carbon and recyclable green packaging, Nissan's subsidiaries in China adopt lean, standardized, generalized, modular, and lightweight packaging designs to reduce the consumption and cost of packaging materials.

DFN

99%

Proportion of circular packaging in total parts packaging

13

Delivery carton models with optimized specifications

RMB 150,000

Investment in packaging improvement

ZNA

11%

Increase in circular packaging points

94.3%

Proportion of recycled packaging in all models



Case

DFN improves packaging of vehicle parts

The packaging of vehicle parts adopts new processes, technologies and materials. First, packaging standards are toughened and recyclable and collapsible packaging materials are used. Second, new eco-friendly materials are applied and new packaging methods such as hollow boards and top and bottom boxes are introduced with green and lightweight auxiliary materials preferred to reduce the use of unnecessary auxiliary materials. Third, the company promotes parts packaging design to employ digital 3D simulation, and develop the independent SCMP-PMS packaging management system. Packaging design and specification management are optimized through technical means.



Logistics planning

Nissan's subsidiaries in China integrate the concept of low-carbon and green logistics into the whole process of plans formation. Besides, Nissan's subsidiaries in China continue to innovate in transportation models, develop multimodal transportation, and move from road transportation to railway or water transportation. As a result, vehicles are used effectively and transportation routes are constantly optimized.

DFN

In terms of parts transportation, the company has optimized 26 goods pickup routes and 13 water and railway transportation routes. For the whole vehicle transportation, the proportion of domestic water transportation stands at 13% while railway transportation reaches 23%, reducing carbon emissions by over 3,200 tons each year.

optimized pickup routes

26 goods

reducing carbon emissions by over

3,200 tons

each year

ZNA

In 2022, combined transportation of both road and rail covered 13 provinces in China, accounting for 17% of total transportation. Rail transportation of parts made up about 4.1% and the distance of transportation routes was reduced by 3%.

accounting for

17%

of total transportation

the distance of transportation routes was reduced by

3%

Case

ZNA promotes coordinated transportation

ZNA takes the initiative to integrate transportation resources with surrounding OEMs for collaborative transportation and more efficient logistics. Through co-working with Shanghai Automotive Industry Corporation, XPENG, DFN, Haima, and Chery, a total of 1,808 vehicles were transported in a coordinated manner in 2022.

Green warehouse

The logistics equipment of all factories is electrified and automated. In addition, Nissan's subsidiaries in China design science-based inventory strategies and improve photovoltaic warehouses for commercial vehicles, strongly supporting the construction of green factories.

DFN

The logistics equipment of all factories is converted from oil to electricity and gas, with electrified equipment accounting for **99.8%**, which can save **255,000 liters** of fuel and reduce carbon emissions by **175,000 kg**. A total of **146 sets** of automated equipment are put into operation, and **1.7 tons** of paper are saved through paperless instructions. The electrification saves **92,000 liters** of fuel and reduces carbon emissions by **63,000 kg**.

ZNA

100% of logistics forklifts and tractors are electrified and inventory is reduced by about **11%**. The annual power generation of photovoltaics on average reaches **10 GWh** and average annual carbon emissions are reduced by **10,528 tons**.

Case

ZNA builds an intelligent and green warehouse

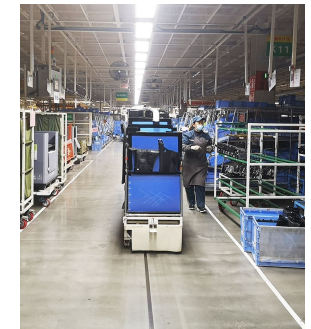
ZNA continues to promote the mechanized, automated, and digitalized logistics. Information systems are deployed in production management, parts ordering, MilkRun transportation, warehouse management, and commercial vehicle transportation. The company continues to optimize the flow of information and goods between logistics elements and points and enhance upstream and downstream business management. The company also promotes DMD diagnosis, simplifies distribution, improves integrated factory automation (iFA), and rationally uses and allocates logistics resources. It also promotes the efficient supply chain collaboration, and the logistics into and within the factory as well as the vehicle and parts logistics are all entrusted to third parties. The unmanned distribution KIT adoption rate of qualified parts in the general assembly workshop is 100%, and the logistics foolproof system has been widely adopted. In 2022, for production logistics, the size of vacant warehouses was 4,100m² and the numbers of logistics posts and tractors were reduced by 14 and by 2 respectively.



AGV unmanned distribution



KIT foolproof system



Green Culture

Together with stakeholders, Nissan's subsidiaries in China advance green actions, such as, promoting green offices to raise employees' environmental awareness. Meanwhile, Nissan's subsidiaries in China participate in industry initiatives and campaigns to see that the entire auto industry goes greener.

Green office

Environmental protection is one of the Nissan's core mission. Nissan's subsidiaries in China have launched environmental protection and energy-saving initiatives to call for employees' support for and practice of green life and green office.

Case

NCIC's green office initiative

To protect a green planet, NCIC encourages the following actions in daily work

- Save electricity and remember to switch off lighting equipment when leaving conference rooms and offices
- Save paper, use both sides, and prefer paperless office
- Reduce the use of disposable items
- The consumption of bottled water was reduced, with over **26,000** bottles fewer in 2022 compared to 2021



Green initiatives

Nissan calls for the public's attention to environmental protection with concrete actions. It engages in industry conferences and initiatives, and cooperates with government agencies, the auto industry, and other stakeholders to pursue a more inclusive and sustainable development agenda and contribute to the sustainable development of the auto industry.

Case

The "Earth Hour" activity

Earth Hour, a global environmental initiative, allows companies to reduce energy consumption in a short period of time by collectively turning off equipment such as lights, therefore saving energy bills. Such collective actions can raise people's awareness and attention to environmental protection and call for concrete actions to reduce energy consumption and environmental impact. In addition, the activity is promoted by multiple channels, such as Weibo and WeChat social platforms, communicating the message of promoting the environment and the earth to raise public awareness of environmental protection.

 Case

NCIC works with CATARC to compile the *Blue Book of New Energy Vehicles* for ten consecutive years

In August 2022, the *Blue Book of New Energy Vehicles* compiled by NCIC and CATARC for ten consecutive years was released. Written by several experts, the book tracks and studies the dynamics of China's new energy vehicle industry in great depth. It witnesses and records the development of China's new energy vehicle industry, providing insights for government decision-making, industry research, and corporate development. Devoted to the development of new energy vehicles in China, NCIC has built a platform for exchanges and cooperation among new energy vehicle partners at home and abroad and conducted in-depth research on the development of China's new energy vehicle industry to promote its healthy and sustainable development.



 Case

NCIC attends the 2022 China Auto Forum

In November 2022, NCIC was invited to the 12th China Auto Forum hosted by the China Association of Automobile Manufacturers. Mr. Niikura Osamu, Vice President of Nissan (China) Investment Co., Ltd., delivered a keynote speech entitled *Nissan's Carbon Neutrality Practice*. Mr. Niikura Osamu said, "Nissan's pure electric technology and e-POWER technology are the two pillars of electrification that are necessary to achieve carbon neutrality. Nissan plans to expand electrification and electrify all new products launched in major markets in the early 2030s."



 Case

Nissan's representative attends the 4th World New Energy Vehicle Congress

In August 2022, the 4th World New Energy Vehicle Congress was held under the theme of "full electrification and global cooperation under the carbon neutrality vision." Mr. Kunio Nakaguro, Executive Officer and Executive Vice President of Nissan Motor Co., Ltd., attended the conference via a video link and delivered a keynote speech entitled "Nissan Electrification Strategy Toward Carbon Neutrality". He introduced Nissan's global electrification strategy for the carbon neutrality vision and mentioned that Nissan would expand its cooperation with 4R Energy Corporation (Refabricate, Recycle, Resell, Reuse) and the scale of the Blue Switch Program. Nissan planned to realize the full commercialization of the vehicle-to-everything (V2X) system and home battery system in the middle of the 2020s.



02

Society (S)

Cooperation Unfolds a New Journey of Development

Nissan leverages own past practices and excellent technology to proactively build a safe mobility environment in China. Committed to the customer-centered service and upholding craftsmanship, Nissan offers excellent auto products and improves customer experience and satisfaction. In strict accordance with Chinese laws and regulations, Nissan pursues an equal, respectful, warm, and win-win workplace, and fulfills corporate social responsibilities by giving back to communities through charitable activities for community harmony.

SDGs



Opening Case

Sponsored the Road Safety Forum for the 16th consecutive year

For 16 years in a row, Nissan has sponsored and cohosted the China Road Safety Forum with China Automotive Technology and Research Center Co., Ltd. Every year, the forum attracts delegates from the Ministry of Emergency Management, the Ministry of Public Security, the Ministry of Industry and Information Technology, and the Ministry of Transport and guests from research institutions and universities at home and abroad. NCIC contributes to better road safety in China through continuous studies on China's traffic issues. Meanwhile, relevant information and data are applied in the R&D of automotive technology to provide a safer traffic environment for Chinese consumers and road users.



Mr. Osamu Niikura, Deputy General Manager of NCIC attends the 16th China Road Safety Forum

Safe Travel

Bearing in mind safe travel, Nissan's subsidiaries in China concentrate efforts on the people, vehicles, and society those three aspects, contributing the strengths of carmakers to vehicle and traffic safety.

Popularizing automobile safety knowledge

Nissan's subsidiaries in China advocate road safety knowledge and safe driving concepts. NCIC organizes the "National Teenager Traffic Safety Knowledge Competition" to raise traffic safety awareness among teenagers in response to common violations such as drowsy driving, not keeping a safe following distance, and speeding. DFN also hosts the "Caravan" activity booth and "Safe Travel across the World" safe driving training camp to improve the traffic safety awareness of consumers and drivers and popularize traffic safety knowledge and safe driving skills in 37 cities across China.

Producing vehicles that apply safe technology

Upholding the technology vision of "zero casualties", Nissan's subsidiaries in China are committed to reducing the number of traffic fatalities. As the first company in the world to launch several advanced driving assistance technologies, Nissan developed independently the ProPILOT and i-Safety technologies that have already been integrated into its models. At the same time, guided by the long-term development vision of "Nissan Ambition 2030", the company will provide advanced driving assistance and intelligent technologies to more consumers to strengthen its advantages in mobility.



Case

Creating unique safety defense

NISSAN i-SAFETY intelligent anti-collision safety system as Nissan's globally advanced safety defense barrier. It can monitor real-time traffic flows, predict upcoming collisions, and assist braking with intelligent warnings to swiftly reduce risks to the vehicle.

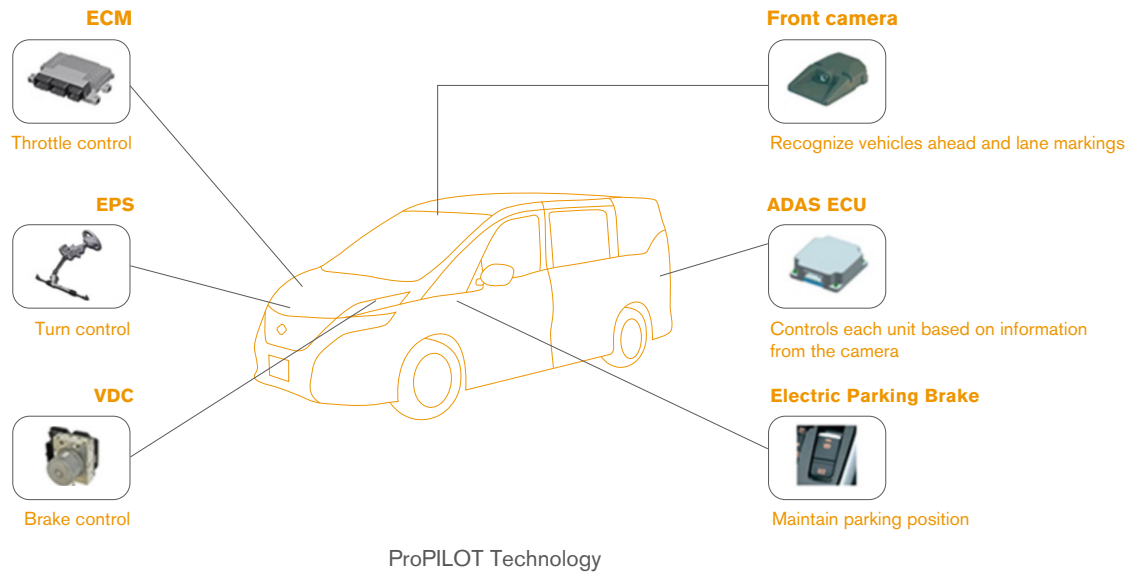


NISSAN i-SAFETY intelligent anti-collision safety system

Case

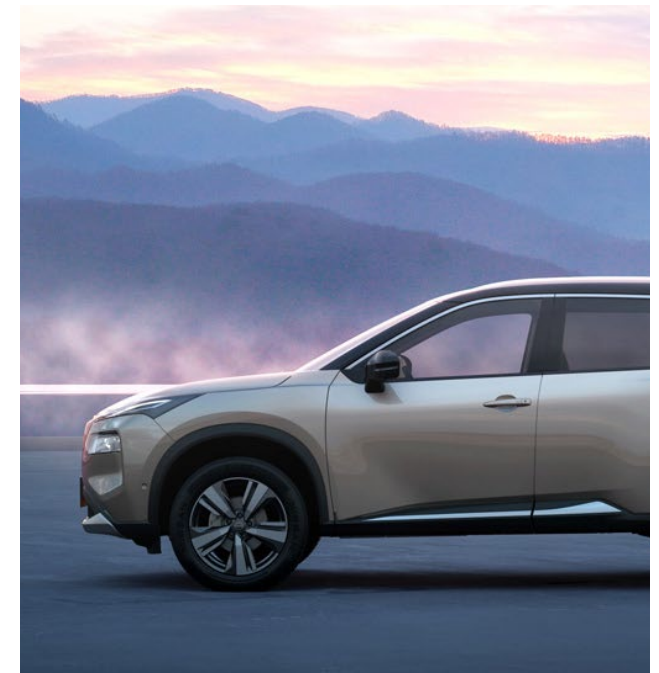
Improving the driving experience and reducing driving stress

ProPILOT technology is specially designed for single-lane driving on highways. New functions such as “Speed Adjust by Route” and “Speed Limit Assist” are added to the ProPILOT 2.0 to help drivers reduce speed to the highway speed limit when encountering sharp turns and ramps. These two functions can make driving more visualized and enjoyable. It is shown that the functions can dramatically lower the stress of the drivers faced with a variety of traffic conditions, making long-distance driving more comfortable.



Contribute to a safe traffic society

NCIC has been committed to building a safe traffic society. Tapping on our years of know-how and research, we promote traffic safety concepts and solutions and offer the practices and experience of Nissan's subsidiaries in China to create a safe traffic environment in China.



Craftsmanship for Quality

Upholding the “customer-centered” quality concept, Nissan’s subsidiaries in China strictly follow globally unified quality standards, improve the product quality management system, and live up to the trust of customers with excellent products.

Product quality management

To effectively improve product quality, Nissan's subsidiaries in China pursue better designs and manufacturing, cooperate with suppliers to improve the quality of auto components and parts in all aspects, and create auto products delivering long-term comfortable user experience.

01 — Improving the quality of supplier actions

To design high-quality parts and systems, Nissan has introduced the DESIGN REVIEW (DR) program. According to the DR program, the company brings together design experts to thoroughly analyze the potential risks of each part and nip problems in the bud. In addition, it has employed the QUICK DR solution that enables speedy and accurate design reviews, significantly expanding the use of DR and improving the prevention of defective parts and systems.

02 — Improving the quality of production

Nissan employs precision measuring instruments for product production at factories. It possesses world-leading digital technology such as laser measurement of correct assembly and coating conditions, which can also convert results into specific values through 3D measurement. In addition, targeting areas with big differences in temperatures and road conditions, the all-weather vibration machine is used to respond to different environmental conditions.

03 — Reducing the defect rate of parts

Nissan is expanding global procurement. To ensure the quality of the parts procured, it classifies suppliers in each country and only cooperates with suppliers who meet the specified level.

 Case

Establishing a quality management system to ensure high-quality Nissan vehicles

Following the “customer-centered” quality philosophy, DFN puts in place an efficient quality management system and implements quality assurance throughout the value chain from commercial activities, designs, R&D, manufacturing, logistics, sales, and after-sales to ensure sound vehicle quality.

1. Quality assurance for new vehicles

DFN has formed a complete set of systems and norms, including organizational structure, schedule, business benchmarks, review standards, etc. The quality assurance organization accesses the load of each project (stamping, welding, coating, resin use, and general assembly) and checks projects' compliance, engineering capabilities, and performance.

2. Current quality management of mass-market vehicles

DFN follows the "Three Nos" principle (not manufacture, not accept, and not release defective products).

3. PHC and engineering supervision

DFN prevents major problems from occurring and entering the market.

4. Quality management system for the whole value chain

DFN realizes 100% management of quality information of five major processes and improves the analysis, feedback, monitoring, early warning, and accurate traceability of big data.

5. Quality assurance through new testing equipment

It improves the quality of the production process and the quality assurance of finished vehicles.





6. Globally universal supplier quality management system

DFN has built a quality assurance model for suppliers throughout the value chain and set up an organizational structure consisting of professional departments and factory departments in response to the reality of a larger supplier group and more product varieties needed by DFN.

Better product recall mechanism

In strict accordance with the *Regulations on the Recall of Defective Automobile Products* and *the Measures for the Implementation of the Regulations on the Recall of Defective Automobile Products*, Nissan's subsidiaries in China respond to the requirements of the State Administration for Market Regulation and register recall plans. Responsible for product quality and customer safety, NCIC coordinates R&D and production departments to set up a specialized recall response team. According to the information on all sold vehicles, the team follows the vehicle recall procedures set by the State Administration for Market Regulation. Through DFN, DFI, and ZNA, NCIC contacts users immediately and sets up a consultation hotline and a designated section on their official website for detailed information inquiries by users.

Vehicle recall information inquiry channels

-  Official websites of Nissan's subsidiaries in China
-  Hotlines of the customer service centers of Nissan's subsidiaries in China
-  Official WeChat accounts of Nissan's subsidiaries in China
-  State Administration for Market Regulation, China Product Safety and Recall Information Website

Considerate Services

Adhering to the “customer-centered” service concept, Nissan’s subsidiaries in China constantly improve the customer service system and service quality, bringing considerate services to customers throughout the whole process of pre-sales, sales, and after-sales.

Improving service quality

Nissan’s subsidiaries in China continue to improve customer services for greater customer satisfaction and make customers feel reassuring, warm and respected with professional, personalized and intelligent services. Nissan’s subsidiaries in China strive to establish close bonds with customers, offering them meticulous care beyond their expectations.

Case

Serving customers with care and actions

Taking a customer-oriented approach, DFN provides a wide range of communication channels to deliver the unique “Starlight Service”, which dedicates to creating personalized services and offering convenience for customer vehicle maintenance. It addresses the customers’ issue about not being able to drive their cars back for maintenance during working hours. As an example of considerate services, “Starlight Service” allows customers to make an appointment on the WeChat mini-program and have access to convenient maintenance services. In 2022, Starlite Service served a total of 138,291 vehicles.

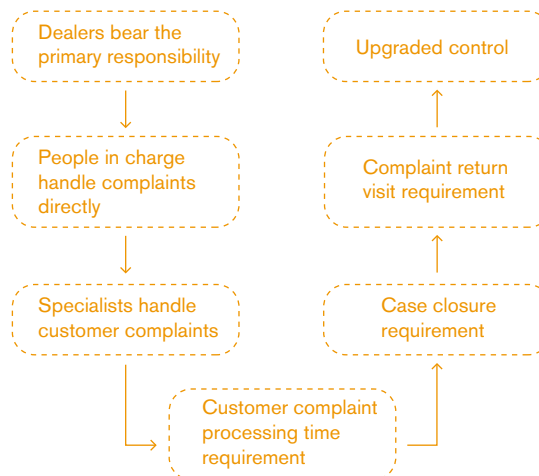
Securing customer satisfaction

Nissan’s subsidiaries in China continue to improve the complaint response mechanism, standardize the complaint handling process, and efficiently handle customer complaints to make sure that customer complaints are resolved appropriately and effectively.

Case

Improving the complaint response control procedure

DFN guides its after-sales services under the principle of “respect, focus, and sincerity”. The company improves the complaint response control procedure, and standardizes the complaint handling process, ensuring the proper and efficient resolution of customer complaints.



In 2022, the rate of complaints registered during sales being concluded within 48 hours reached 89.3%, and the rate of after-sales complaints being concluded within 48 hours was 87.5%.

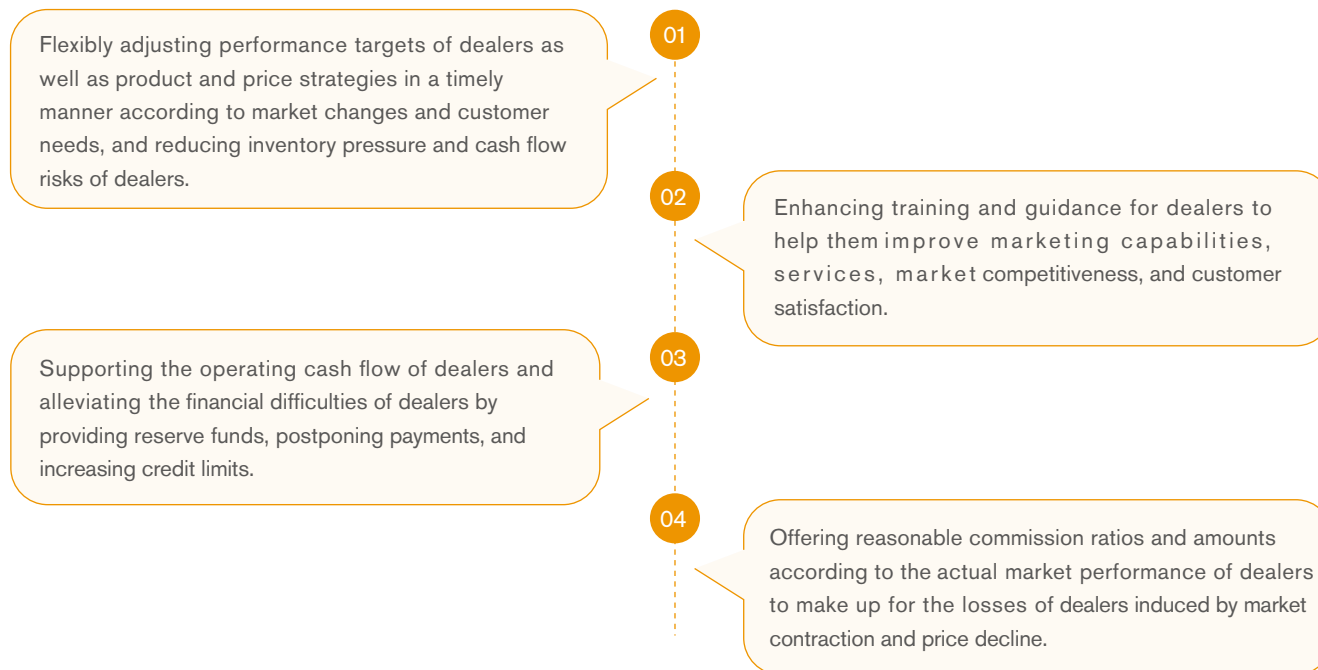
Case

Continuously improving customer complaint handling capabilities

ZNA continues to optimize the Regulations on the Management of Customer Complaint Handling and deepens the management of complaint classification and follow-up, complaint upgrading, and complaint return visits. In 2022, ZNA registered a total of 1,762 complaint items, with a 5-day conclusion rate of 88.6%. The proportion of more than three complaints by the same customer decreased from 38% to 4% and the proportion of complaints handled for more than 10 days dropped from 28% to 0%, with the customer satisfaction index reaching 81.6%.

Enhancing dealer service capabilities

In dealer management, Nissan's subsidiaries in China help dealers improve their capabilities through business assistance and training services for mutually beneficial and win-win partnerships.



Case

Assisting dealers in capability building

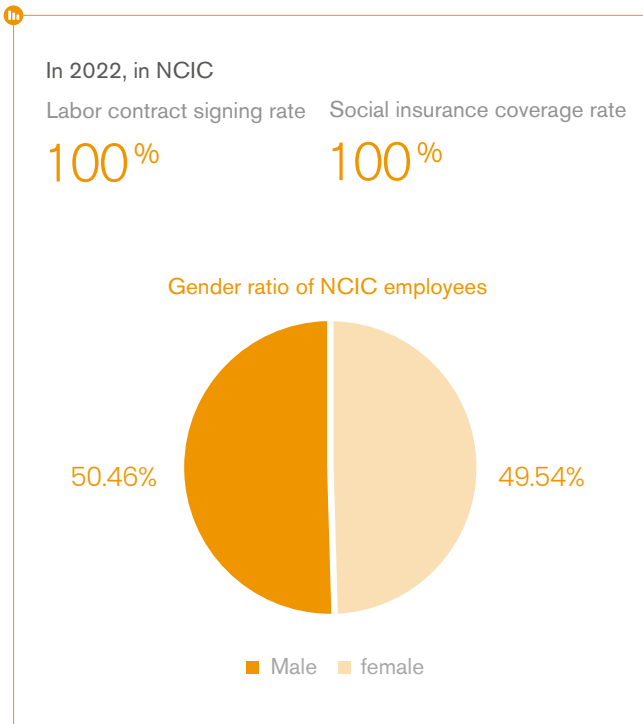
As an important assistance platform of DFN, the “Runxin” invites section chiefs across the whole value chain of DFN to provide on-site assistance that helps address the weaknesses of dealers. The plan is carried out in the form of one section chief provides targeted support for one dealer to help improve market shares and revenues.

In 2022, the “Runxin” covered 33 dealers in 15 key cities in 11 regions, engaging 50 section chiefs across the whole value chain at DFN’s headquarters, who helped dealers improve their revenues throughout the year. Nissan also cooperated with Venucia and Infiniti to support and develop all brands operating under DFN. The “Heart Plan” was expanded from a single store to a whole city, contributing more to the improvement of market shares and dealer revenues.

Employee Rights and Interests

Equal employment

In strict accordance with the Labor Law of the People's Republic of China and other relevant laws and regulations, Nissan's subsidiaries in China recruit employees with various genders, nationalities, cultures, ages, gender identities, sexual orientations, occupational and educational backgrounds, and lifestyles. Committed to building an equal workplace, Nissan's subsidiaries in China work with every employee who shares our corporate values to promote diversity and inclusion.



Compensation and benefits

Nissan's subsidiaries in China continuously improve their compensation and benefits system, including basic remuneration, performance bonus and staff benefits, and have established a fair, competitive, and incentive pay structure to attract and retain talents. Oriented towards the needs of employees, NCIC not only provides fixed allowances for employees, but also introduces various flexible welfare programs. To strike work-life balance, NCIC adopts flexible working practices such as flextime and working from home, which meet the diversified office needs of employees. Meanwhile, the company values the physical and mental health of employees. It actively carries out Employee Assistance Programs (EAPs) and organizes annual health check for employees. In particular, during the COVID-19 period, daily necessities and medical supplies were provided multiple times to satisfy the living and health needs of employees and their family.

Health and safety

Nissan's subsidiaries in China continuously improve their occupational safety and health management system. The companies actively guide employees to participate in occupational safety and health management and raise their awareness and capability by organizing safety training, fire drills, and regular health lectures. In 2022, NCIC officially established and launched the EAP hotline, which provides 24/7 telephone consultation services for all employees. Professional personnel of the hotline provide systematic psychological care for all employees, solve their psychological problems, and closely track their mental health. During the reporting period, employee health check coverage rate reached 100%.



Case

Online salon cares for employee mental health

NCIC invited senior career development psychology instructors to popularize the common psychological issues during the COVID-19 period to employees and teach them ways to actively cope with the issues through live streaming room. In addition to the guidance on improving psychological resilience, participants also shared their experiences during the COVID-19 period at home, explored various feasible measures for self-psychological construction, and enhanced their awareness and capability to accept various uncertainties during the COVID-19 period.



Livestreaming Course on Psychological Resilience

Inclusive Workplace

Nissan's subsidiaries in China are committed to creating a more inclusive workplace for employees with continuous attention to their welfare needs. NCIC has set up a women's lounge in its Shanghai office, enhancing the sense of belonging and happiness of female employees towards the company. DFN attaches great importance to the care and services for needy employees. It provides assistance for needy employees and effectively solves their difficulties in family life and other aspects, enhancing employees' sense of happiness.



"International Women's Day " Activity of NCIC

Case

A warm platform for caring female employees

DFN actively protects the rights and interests of female employees. The company builds a warm platform for caring female employees, signs the Collective Agreement for Female Employees and fulfills the relevant obligations. It also carries out rich and diverse activities to celebrate the International Women's Day on March 8, showcasing the vitality and demeanor of female employees. Regular visit-based surveys and research are also conducted to track the work status and thoughts of primary-level female employees. In 2022, a total of 27 pieces of appeals of female employees were collected in the visit and then implemented, and 6 mommy rooms were established, providing humanized and warm services for professional women to safely get through the special physiological stage of women.

Case

DFN Employee Care Association

The Employee Care Association serves as an important carrier for DFN to provide assistance for needy employees and advocate for mutual care among employees. It effectively solves the problem of excessive medical expenses for employees with severe illnesses, alleviates employees heavy losses caused by emergencies, and ensures that employees can receive assistance in case of major and trivial difficulties. DFN has thus formed a long-term and lasting assistance mechanism for employees, built an organization with much more love, practiced the company's concept of "happy culture" and promoted the building of harmonious labor relations. In 2022, the company spent RMB 1.36 million of subsidies, with a total of 231 beneficiaries.

Employee communication

NCIC is committed to establishing an effective mechanism for communication with employees by continuously improving and broadening employee communication channels, to create a friendly, inclusive, harmonious, open, and equal workplace. The company collects employees' opinions on the company through multiple channels such as employee opinion boxes, a thanks card mechanism and employee opinion surveys. Besides, it holds regular staff representative meetings and annual employee questionnaires to continuously promote the mechanism of democratic management, democratic participation and democratic supervision. Regularly staff meetings enable the company to synchronize important information with employees such as the direction and progress of corporate strategic transformation, corporate culture upgrading, and corporate transformation.

Employee Growth

NCIC provides powerful support for employees to enhance their personal competence and competitiveness through online and offline training. The company adopts the "721" law to establish and improve the company's talent training system, that is, 70% of employee progress comes from practice, 20% from learning from others, and 10% from training. Under the guidance of the "721" law, the company guides employees to reflect and summarize practice with a pragmatic attitude. In addition, according to different types of employees, and different departmental and job requirements, it offers diversified and differentiated vocational training, provides flexible learning programs for employees, and organizes workshops on innovative thinking, management capability and leadership, to help employees improve communication skills and management level. The company not only values the improvement of business skills, but also focuses on the cultivation of employees' soft skills. It also stimulates employees' creativity, and strives to achieve positive interaction between employee growth and company development.

NCIC actively utilizes digital means to realize online training, ensuring that employees have access to rich online learning resources to develop their capabilities and qualities during the COVID-19 period. During the reporting period, the employee training coverage rate was 100%, with employees receiving 9.2 hours of training on average. Specifically, employees received 6.6 hours of online training on average, a significant increase compared to last year.



NCIC Manager Role Workshop

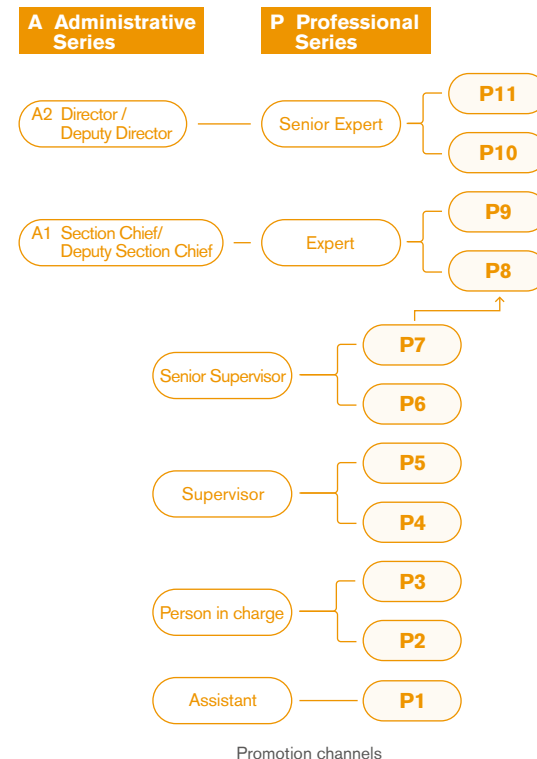


NCIC Innovative Thinking Workshop

Case

Building a promotion channel for different post ranks

In order to break through the bottleneck of employee career development, DFN connects professional and general managerial and technical sequences, and switches promotion channels for different post ranks, developing a professional hierarchy from P1 to P11. Meanwhile, it clarifies the conditions for exceptional promotion and working years, which provides a rapid development channel for outstanding talents in key fields, and further promotes employee development.



Community Development

To give back to society, Nissan's subsidiaries in China organize public welfare activities such as student aid, auto education, and volunteer services, and vigorously promote regional and industry development, to create value for society and demonstrate corporate responsibility.

Educational empowerment

Nissan's subsidiaries in China value the cultivation of sustainable development talents. Through a series of Nissan education empowerment activities, such as Nissan Dream Classroom, Hand-in-hand Project, and Sunshine Care i-Reading Program, to enable more children to acquire rich knowledge and access to high-quality and equal education. Children are expected to grow into new types of talents with confidence, responsibility and innovation that can play a leading role in the future.

Based on the STEAM education concept, Nissan Dream Classroom provides children and teenagers with auto-related sustainability courses covering science and technology, engineering, and arts. Since Nissan Dream Classroom started in 2013, it has received unanimous praise from teachers, students, parents, staff, media, and other sectors. As of 2022, Nissan Dream Classroom has been carried out in more than 1,000 schools in 22 provinces, including Beijing and Sichuan, benefiting over 2 million participants.



Case

Aiding impoverished students

The "Hand in Hand" education support project is a non-profit student aid project initiated by ZNA and Zhengzhou Charity Federation. Every year, millions of student aid funds are provided for college students in Henan Province and students in poverty-stricken primary schools in some regions of the country. In addition, ZNA leverages the advantages of the national sales network and collaborates with dealers and car owners nationwide to carry out charitable assistance activities in various regions.

In 2022, ZNA continued to invest RMB 1 million into the "Hand in Hand" Fund of Zhengzhou Charity Federation to support two sub-projects, the "Happy Growth Program" and the "Talent Growth and Dream Realization". This is also another key initiative taken by ZNA in response to the group's call during the 9th Dongfeng Motor Social Responsibility Month, providing powerful support for ZNA's CSR fulfillment.



Hand in Hand Project - Happy Growth Program



Case

Facilitating the cultivation of creative and innovative design talents

The "Nissan DrawDrawDraw" activity, as part of the Nissan Dream Classroom, provides a platform for students and painting enthusiasts to showcase their creativity, as well as painting enthusiasts, to showcase their creative talents, facilitating the cultivation of creative and innovative design talents. The activity covered the themes of auto design and sustainable society. While showcasing their creative talents, contestants expressed their concern for environmental issues and safety, etc., and actively demonstrated their imagination and creativity by depicting a more convenient, eco-friendly, comfortable and secure mobility world in the future.

This 2-month competition received a total of 11,059 works. At the online award ceremony held on December 31, 2022, adult and young contestants, as well as their teachers and parents, witnessed the release of award-winning works.



The first prize work of the youth group of NCIC's "Nissan DrawDrawDraw Creative Carnival"

Case

Stimulating learning potential to boost artificial intelligence education enlightenment

The "Nissan Intelligent Mobility Maker Carnival", based on the intelligent driving course of the Nissan Dream Classroom, carries out online programming education and in-person competitions for teenagers across China. The event can enable teenagers to learn basic programming knowledge online under the leadership of Nissan's intelligent robot "EPORO", and participate in online quiz games, thus cultivating and enhancing their comprehensive capabilities such as logical thinking and spatial thinking. More than 4,000 contestants from more than 100 schools across the country participated in the event, which was well received by teachers and students. Nearly 100,000 spectators witnessed the event.



Outstanding works of Nissan Dream Classroom Online Coding Contest

Rural development

Nissan's subsidiaries in China have devoted themselves to promoting rural vitalization and development, and consolidating and expanding the achievements of poverty alleviation. In active response to the government's call to "counties are pivotal points", Nissan's subsidiaries in China boost the rural vitalization on all fronts.

Case

Supporting rural vitalization and jointly building a better homeland

ZNA has provided various forms of assistance with its brand influence to address problems such as inconvenient travel of villagers. Ruiqi pickup trucks are essential vehicles for daily travel of villagers and the transportation of local specialty products. They are known as "wealth-creation vehicles" and "livelihood vehicles" in the local area.

Later, the pickup truck users gather, "pickup villages" gradually earn a sound user reputation in multiple industries, regions, and zones. Naturally, "pickup truck villages" sprout out. As at March 2023, with the official founding of "Pickup Village" in Sanchakou Village, Yumen Town, Panzhihua City, the number of licensed "Pickup Truck Villages" awarded had reached 80 nationwide, covering multiple industries such as tea picking and transportation, fruit transportation, fisheries, and ceramic trade in 13 provinces and autonomous regions such as Yunnan, Sichuan, Zhejiang, Jiangxi, Fujian, Hainan, Guizhou, Jiangsu, and Xinjiang. "Pickup Truck Villages" have become an important driver for local poverty alleviation and industrial economic development.

03

Governance (G)**Sheer Endeavor Unveils
A New Journey of Quality**

To maintain operational compliance, Nissan strives for transparent and standardized corporate governance structure, and works to establish a sound corporate management system, contributing to a higher corporate governance.

SDGs



Opening Case

**Strengthening NCIC's sustainability governance – Nissan China Sustainability Plan 2022**

In September 2019, NCIC officially released the Nissan China Sustainability Plan 2022, a sustainability outline targeted for the Chinese market. It guides the sustainable operation and management of Nissan's business in China centering around environmental, social and governance those three core aspects. Since its release, NCIC has engaged in sustainable development and strengthened sustainability governance as the plan requires.

E: Environmental protection**Goals**

Response to climate change

Better air quality

Resource recycling

Better water use

Measures

- Electrification technology
- Green products
- Logistics planning

- Waste gas treatment
- Green production

- Battery recycling
- Circular packaging

- Recycling
- Green production

Effects

- The three pure electric technologies of "VC-turbo, e-POWER, and Zero Emission" are utilized to reduce carbon emission and consumption
- DFN's brand-new pure electric compact SUV, ARIYA, is launched
- The comprehensive energy consumption per RMB 10,000 of output value drops by 20.7% compared with 2015
- DFN cuts carbon emissions by 3,200 tons per year after optimizing logistics routes, and ZNA reduces the distance of transportation routes by 3%.

- DFN's main production bases have installed PV power generation facilities. The annual capacity of completed PV power generation projects is 93.05 GWh, which can reduce CO₂ emissions by 49,000 tons
- ZNA launches the air-fuel ratio renovation of the drying furnace, which is expected to save natural gas up to 75,000 m³ each year overall, equivalent to reducing 162 tons of CO₂
- ZNA's new technology for VOC treatment has been recognized as a sci-tech achievement by Henan Province. It has reduced VOCs by 679 tons and CO₂ emissions by 13,371 tons in the past three years

- DFN's parts with circular packaging account for 99%, and ZNA's parts with circular packaging make up 94.3%

- ZNA's wastewater recycling improvement project saves 7,800 tons of water each year
- DFN Huadu base sewage station has carried out "zero discharge" transformation. After the industrial wastewater and domestic sewage generated at the Huadu base are treated by the sewage station, all the reclaimed water is used for landscaping and production, and no wastewater is discharged into the municipal sewers.

Opening Case



S: Social development

Goals

Contributions to building a society of reassuring and safe transportation

Social contribution

Talent training

G: Governance

Better governance

Measures

- Cooperation with stakeholders serves as a foundation for traffic safety
- Consumer traffic safety education campaigns
- Development of safety technology based on the concept of "Safety Shield"
- The application of driving assistance technology will reduce traffic accidents caused by human errors

- Promoting China's new energy vehicle industry

- Auto technology courses for primary school students

- Stricter compliance management

Effects

- Several traffic safety knowledge activities such as "National Teenager Traffic Safety Knowledge Competition", "Safe Travel Across the World" and "Nissan Safe Driving Training Camp" are organized.
- The 16th China Road Safety Forum was cohosted with China Automotive Technology and Research Center Co., Ltd. (CATARC).
- DFN's Ariya successfully passed the battery safety challenge by CATARC.

- Nissan and CATARC together released the 2022 **Blue Book of New Energy Vehicles**.

- Nissan Dream Classroom had opened courses in 24 provinces, autonomous regions, and municipalities directly under the Central Government, benefiting a total of 2 million students.

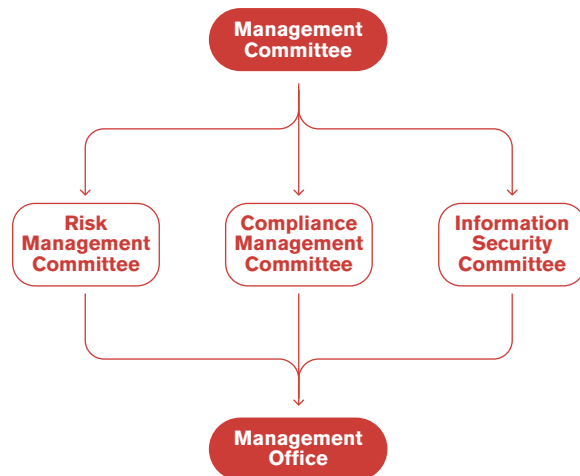
- A "triple defense governance system" and a consistent system are built.

Corporate Governance

In strict accordance with the requirements of relevant laws, regulations, and normative documents, NCIC has established a standardized corporate governance structure and science-based and effective rules of procedure, with internal control policies at all levels revised and improved to better corporate governance.

Governance structure

Guided by the global corporate governance and internal control strategy, NCIC carries out the company's compliance governance around three key issues, i.e. risk management, compliance management, and information security, in combination with the operation and management priorities and the characteristics of business operation. A three-tier management structure is established, with members of the management committee above the level of Vice President serving as the head of each committee to promote and supervise the company's business activities.



Compliance

NCIC regards compliance as the premise of all its business activities. In addition to integrating the concept of compliance into production and operation, the company follows high standards of business ethics, and continuously improves the compliance management system. Meanwhile, NCIC keeps nurturing a culture of compliance and integrity, regularly organizes training and exchange activities and prohibit all forms of corruption and unfair competition.

Compliance management

- Under the unified guidance of the Global Management Committee and the Regional Compliance Committee, NCIC has set up the Compliance Management Committee composed of senior executives from legal, human resources, internal audit, finance, business compliance, and other departments.
- In terms of global trade compliance management, Nissan's subsidiaries in China pledge to abide by the laws and regulations related to customs trade compliance and export control & sanctions of China, Japan, the United States, the European Union, and other countries. Based on the *Nissan's Global Code of Conduct*, Nissan has formulated the *Export Control Compliance System*, the *Customs and Trade Compliance Management System*, and the supporting compliance operation manual to provide employees with the code of conduct in the field of compliance.

Compliance culture

- According to Nissan's Global Code of Conduct, NCIC carries out anti-bribery and anti-corruption initiatives and formulates and strictly implements the Rules of Professional Conduct for Employees. The company requires employees to strictly abide by national laws and regulations, business codes of conduct, and company rules and regulations, carefully study and comply with duty-related compliance requirements, engage in compliance training, identify, report, and prevent compliance risks, say no to violations, and take responsibility for the compliance of their actions. Through the Global Unified Comprehensive Reporting System (SpeakUp), employees are encouraged to report violations of laws and regulations, and whistleblowers are protected under the no-retaliation policy.
- In 2022, NCIC organized compliance training with a training coverage rate of **100%**.

Risk prevention and control

Attaching great importance to risk early warning, NCIC has established a “triple defense governance system” covering the company’s operation, management, and audit fields to improve governance and ensure more science-based, systematic, open, and transparent corporate governance. At the same time, the Compliance Management Committee provides strong support for the company’s operational compliance by identifying potential risks in various fields, formulating annual improvement plans and control measures, and supervising the implementation of improvement measures and management objectives.

Information security

Under the principle of “prevention first with prevention and control combined”, NCIC advances information security from multiple dimensions such as management processes, work measures, and employee awareness, strengthens information security management, and improves information security management.

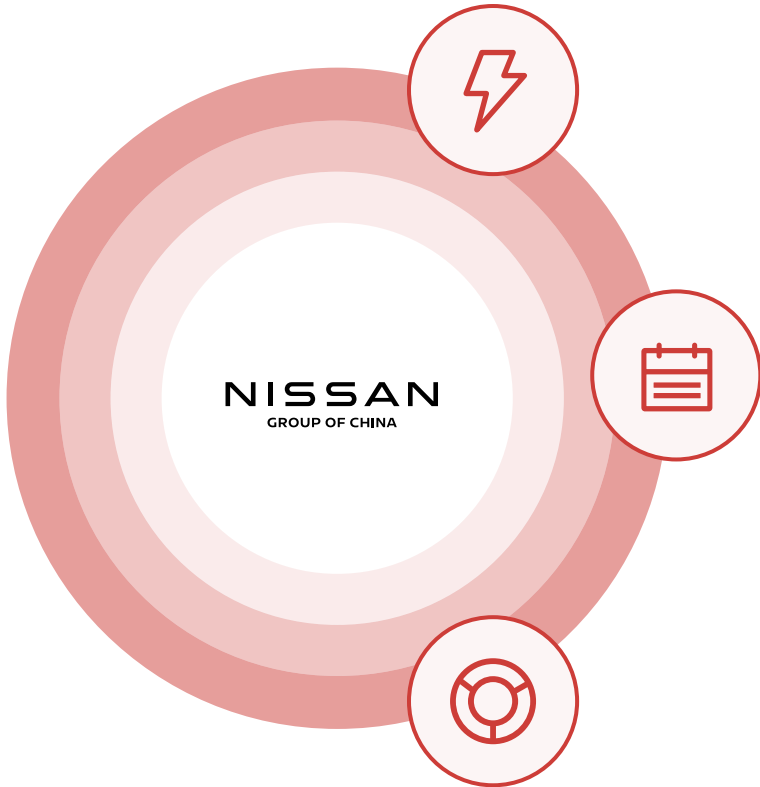
NCIC has established the Information Security Management Committee composed of senior executives. It holds two management meetings every year to clarify the responsibility of information security and promote overall information security guarantee.

In 2022, NCIC updated the policies on information security and personal information protection, and gave corresponding training to all employees to raise their awareness. Moreover, to protect personal information, the company re-examined the collection of personal information in business operations, and improved and released user notification and privacy protection policies.



Technological Innovation

At Nissan, technological innovation is the core driver to lead corporate development. Committed to providing customers with a safe and intelligent travel experience around the concept of “Nissan Intelligent Mobility”, the company strives to create a new model of smart and low-carbon travel in the future. It takes measures to motivate employees to fully explore the possibilities of new technologies, such as, improving the management of technological innovation and the commercialization mechanism of technological achievements. These actions have improved the company’s innovation capability of R&D and intelligent technologies, making technological innovation an inexhaustible momentum for sustainable corporate development.



Electrification

Nissan provides smooth and strong power for eco-friendly electric motors to achieve the goal of zero emissions.

Mobility services and energy management

Nissan is advancing various mobility plans to realize a sustainable society.

Autonomous driving/advanced driving assistance systems

Nissan provides driving assistance technologies that can be used by any driver confidently, facilitating a future of fully automatic driving.

NISSAN INTELLIGENT MOBILITY

 <p>Intelligent driving</p> <p>More confident</p>	 <p>Intelligent power</p> <p>More passionate</p>	 <p>Intelligent connectivity</p> <p>More interconnected</p>
---	--	---

Key performance indicators

In 2022,		
DNF		
2,607	RMB 740 million+	202
R&D personnel	R&D expenditure	Valid patents
ZNA		
51	52	435
Patents submitted	Authorized patents	Valid patents
554	36	
Corporate standards issued	R&D capability improvement projects completed	

Outlook

Five decades have passed since Nissan embarked on the journey into China's market. Nissan's business in China is thriving. Nissan's subsidiaries in China not only focus on production and operations but also take a step forward in sustainable development to meet ESG requirements. Going forward, Nissan's subsidiaries in China will continue to follow the expectations of stakeholders, meet the needs of society and consumers, empower electrification and intelligent mobility, and launch innovative and sustainable products and services.

Accelerating electrification to help build a green planet

Nissan will forge along the path of electrification, pursue the electrification strategy under the context of China's 30·60 Decarbonization Goal, and electrify all new products launched in major markets in the early 2030s. In the future, Nissan's subsidiaries in China will explore new business formats and services, promote electric vehicles, and provide customers with more eco-friendly travel options.

Exploring intelligent mobility solutions and striving to provide excellent products

Nissan's subsidiaries in China will leverage Nissan's sufficient experience and technology in the fields of autonomous driving, intelligent connectivity, and shared mobility services to fully realize the potential of the future mobility service market and transform Nissan's business in China. Adhering to the concept of "safety first", Nissan's subsidiaries in China will bring consumers safer, more efficient, and more comfortable autonomous driving experiences for a better life empowered by technology.

Pursuing open and inclusive growth to advance common development

Upholding the concepts of openness and inclusion, Nissan's subsidiaries in China strive for sustainable growth and common development. Nissan's subsidiaries in China will grow together with employees and create a better workplace for employees in terms of rights protection, skill empowerment, and career development. In addition, Nissan's subsidiaries in China will continue to follow social development and play a positive role in education empowerment, rural development, and AI education.

Practicing compliance and high-quality governance to ensure sustainable operations

Strictly abiding by laws and regulations, Nissan's subsidiaries in China will implement high-standard corporate governance and put in place a social responsibility management framework. Going forward, Nissan's subsidiaries in China will guarantee better and more stable governance and ensure that ESG responsibilities are effectively delivered.

The last five decades for Nissan are fruitful. Looking into the future, Nissan's subsidiaries in China will continue the pace of sustainable development, deepen green development, accelerate the transformation strategy of electrification, and promote a circular business model. Carbon reduction and renewable energy adoption will help reduce our carbon footprint. Nissan's subsidiaries in China will provide more innovative and reassuring products, seek "zero accidents", and create more comfortable and efficient experiences for consumers. As social responsibility gets expanded, Nissan's subsidiaries in China will continue to support initiatives in the fields of education, health, community development, etc. Integrating sustainability factors into operations and corporate culture, Nissan's subsidiaries in China will ensure that ESG concepts are embedded into every decision and action and unwaveringly pursue greater value for society, common prosperity, and sustainable development.



Appendices

About This Report

Reporting period

From January 1, 2022 to December 31, 2022. To enhance the comparability of data, some content may go beyond the stated period.

Reporting scope

The scope of the report includes Nissan (China) Investment Co., Ltd., a wholly-owned subsidiary of Nissan in China, (hereinafter referred to as NCIC); the joint venture Dongfeng Motor Co., Ltd. (hereinafter referred to as DFL) and Dongfeng Nissan Passenger Vehicle Company (hereinafter referred to as DFN), Zhengzhou Nissan Automobile Co., Ltd. (hereinafter referred to as ZNA), and Dongfeng Infiniti Motor Co., Ltd. (hereinafter referred to as DFI). In the report, all of the above companies are collectively called "Nissan's subsidiaries in China" and "we". In addition, "Nissan" in the report refers to Nissan Motor Co., Ltd.

Release cycle

This is an annual report. It is Nissan's sixth sustainability report in China.

Referenced standards

This report is prepared mainly with references to domestic and international social responsibility reporting standards, including GRI Standards issued by Global Reporting Initiative (GRI), Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR4.0) of Chinese Academy of Social Sciences, the UN's Sustainable Development Goals (SDGs) and the Ten Principles of the UN Global Compact.

Data source

The data used in the report is derived from the official documents and statistical reports of the companies. The data quoted is the final count. In case of any discrepancy about the financial data with the annual report, the annual report shall prevail. Unless otherwise specified, the amount involved in this report is in RMB.

Reliability assurance

Nissan's subsidiaries in China assure the authenticity and reliability of the relevant information disclosed in the report, and that the contents of the report is free of false records, major omissions, or misleading statements.

Preparation process









































- Establishment of the work group
- peer benchmarking analysis
- information collection
- Preparation of the report framework
- preparation of the report content
- Internal review
- review by top leadership
- Formation of the report draft
- release of the report
- Collection of feedback from stakeholders
- adjustment and optimization of the next work plan.

Report access

This report may be downloaded from NCIC's official website.
Website: <https://www.nissan.com.cn/sustainability/pdf/72>

Indicator Index

Table of Contents	SDGs	GRI standards
Executive speech	    	GRI-102
About Nissan	  	GRI-102/GRI-201/GRI-203
Nissan and Sustainable Development	      	GRI-101/GRI-102/GRI-103/GRI-201/GRI-303/GRI-305
CSR Spotlight	   	GRI-416
Environmental	   	GRI-103/GRI-203/GRI-204/GRI-302/GRI-303/GRI-307/GRI-308/GRI-404/GRI-416/GRI-417
Social	     	GRI-102/GRI-203/GRI-401/GRI-402/GRI-403/GRI-406/GRI-407/GRI-413
Governance	  	GRI-102/GRI-103/GRI-205/GRI-404/GRI-418
Outlook	     	GRI-102
About This Report		GRI-102
Indicator Index		GRI-102
Expert Opinion		GRI-102
Feedback		GRI-102

Expert Opinion



Yu Zhihong

President and Editor-in-Chief of China Sustainability Tribune

In the 2023 Sustainability Report of Nissan's Subsidiaries in China, NCIC comprehensively discloses the sustainable development process of its wholly-owned subsidiaries and joint ventures in China from the environmental, social, and governance (ESG) aspects. NCIC also introduces the business, social, and environmental values of Nissan's subsidiaries in China, as well as their corporate philosophy of "driving innovation to enrich people's lives" that supports value realization. The well-structured report is comprehensive, systematic and thus readable.

To its credits, in the section "CSR Spotlight", the report shares that Nissan integrates the sustainability philosophy into its business operations during the fifty years of rapid development in China, driving the Chinese automotive industry chain to facilitate sustainable development. It demonstrates that Nissan is not only a witness, beneficiary, but also an active participant in China's reform and opening up.

To vividly showcase ESG practices, the report introduces the ESG actions and achievements of Nissan's subsidiaries in China in three chapters: "Low-carbon Transition Ushers in a New Green Journey, Cooperation Unfolds a New Journey of Development, and Sheer Endeavor Unveils a New Journey of Quality".

The report is prepared in accordance with international standards, including *GRI Standards issued by Global Reporting Initiative (GRI) and the Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR4.0)* (for Automobile Manufacturing Industry). It also comprehensively benchmarks against the UN's Sustainable Development Goals (SDGs), reflecting NCIC's international perspective, global awareness, and professional approach to valuing China's concerns.

The report is innovative. In terms of the overall design, it is concise, demonstrating a big picture from small details. In terms of wordings, the charts, illustrations, logical diagrams, timelines, and other forms are used to enable readers to clearly understand NCIC's vision and practices in enriching people's lives.

The *2023 Sustainability Report of Nissan's Subsidiaries in China* comprehensively and systematically presents the efforts of NCIC towards a green and low-carbon prospect on the path of sustainable development, and a better future together with stakeholders. I expect NCIC to keep the leading role in the process of sustainable development and compose a new chapter.

Reader Feedback

Thank you for reading the 2023 Sustainability Report of Nissan's Subsidiaries in China. To better meet your needs, provide more valuable information to you/stakeholders, and improve our overall management ability, work performance as well as our CSR capability and performance, we sincerely invite you to leave valuable feedback on the report and send us by the following methods.

Tel: 010-59251957 **Address:** Room 801, North Building, Jiali Center, No.1 Guanghua Road, Chaoyang District, Beijing

1. What's your identity?

- Investor/Shareholder
 Community
 Employee
 Customer
 Environment
 Supplier
 Industry Association
 Media
 Other _____

2. Your overall impression of this report:

- Very good
 Good
 Average
 Poor
 Very poor

3. How is the report in terms of information disclosure, accuracy, completeness, layout design, and readability?

- Information disclosure: Very good Good Average Poor Very poor
 Accuracy: Very good Good Average Poor Very poor
 Completeness: Very good Good Average Poor Very poor
 Layout design: Very good Good Average Poor Very poor
 Readability: Very good Good Average Poor Very poor

4. What are your opinions and suggestions on the efforts of Nissan's subsidiaries in China to promote sustainable development in China and the preparation of the sustainability report?

NISSAN
GROUP OF CHINA

Nissan (China) Investment Co., Ltd.

Brand Promotion Center

Address: Room 801, North Tower, Jiali Center, 1 Guanghai
Road, Chaoyang District, Beijing

Tel: 010-5925 1957

<http://www.nissan.com.cn>